

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-38956

Richmond Mutual Bancorporation, Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation or
organization)

36-4926041

(I.R.S. Employer Identification No.)

31 North 9th Street, Richmond, Indiana

(Address of principal executive offices)

47374

(Zip Code)

Registrant's telephone number, including area code: **(765) 962-2581**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	RMBI	The Nasdaq Stock Market LLC

Securities Registered Pursuant to Section 12(g) of the Act: **None**

Indicate by checkmark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐
No ☒

Indicate by checkmark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐
No ☒

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by checkmark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Smaller reporting company ☒

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates as of June 30, 2025, the last business day of the registrant's most recently completed second fiscal quarter, was approximately \$137.0 million. (The exclusion from such amount of the market value of the shares owned by any person shall not be deemed an admission by the registrant that such person is an affiliate of the registrant.)

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of the latest practicable date: As of March 23, 2026, there were 10,501,260 shares of the registrant's common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None

RICHMOND MUTUAL BANCORPORATION, INC.
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PART I

Item 1. Business

The disclosures set forth in this item are qualified by Item 1A. Risk Factors and the section captioned “Cautionary Note Regarding Forward-Looking Statements” in Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations of this report and other cautionary statements set forth elsewhere in this report.

Overview

Richmond Mutual Bancorporation, Inc., a Maryland corporation, which is sometimes referred to in this document as “Richmond Mutual Bancorporation-Maryland,” was formed in February 2019 to serve as a new stock holding company for First Bank Richmond upon completion of the reorganization of First Bank Richmond from the mutual to stock holding company form of organization. The reorganization was completed on July 1, 2019. Prior to completion of the reorganization, First Bank Richmond was a wholly owned subsidiary of Richmond Mutual Bancorporation, Inc., a Delaware stock corporation, which is sometimes referred to in this document as “Richmond Mutual Bancorporation-Delaware,” and Richmond Mutual Bancorporation-Delaware was a wholly owned subsidiary of First Mutual of Richmond, Inc., a Delaware non-stock mutual holding company (the “MHC”). On July 1, 2019, upon the completion of the reorganization, Richmond Mutual Bancorporation-Delaware and the MHC ceased to exist, and First Bank Richmond became a wholly owned subsidiary of Richmond Mutual Bancorporation-Maryland. In certain circumstances, where appropriate, the terms “Richmond Mutual Bancorporation,” “the Company,” “we,” “us” and “our” refer collectively to (i) Richmond Mutual Bancorporation-Delaware and First Bank Richmond with respect to discussions in this document involving matters occurring prior to completion of the reorganization and (ii) Richmond Mutual Bancorporation-Maryland and First Bank Richmond with respect to discussions in this document involving matters to occur post-reorganization, in each case unless the context indicates another meaning.

On February 6, 2019, the Board of Directors of the MHC, the parent mutual holding company of Richmond Mutual Bancorporation-Delaware, adopted a Plan of Reorganization and Stock Offering (the “Plan”). The Plan was approved by the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”) and by the Indiana Department of Financial Institutions (the “IDFI”), as well as the voting members of the MHC at a special meeting of members held on June 19, 2019. Pursuant to the Plan, upon completion of the transaction, the MHC would convert from a mutual holding company to the stock holding company corporate structure, the MHC and Richmond Mutual Bancorporation-Delaware would cease to exist, and First Bank Richmond would become a wholly owned subsidiary Richmond Mutual Bancorporation-Maryland. The transaction was completed on July 1, 2019. In connection with the related stock offering, which was also completed on July 1, 2019, Richmond Mutual Bancorporation-Maryland sold 13,026,625 shares of common stock at \$10.00 per share, for gross offering proceeds of approximately \$130.3 million in its subscription offering and contributed 500,000 shares and \$1.25 million to a newly formed charitable foundation, the First Bank Richmond, Inc. Community Foundation (the “Foundation”).

Richmond Mutual Bancorporation-Maryland is regulated by the Federal Reserve Board. Our corporate office is located at 31 North 9th Street, Richmond, Indiana, and our telephone number is (765) 962-2581. Richmond Mutual Bancorporation-Maryland's primary business activities are currently limited to one significant business segment, which is community banking.

First Bank Richmond, headquartered in Richmond, Indiana, is a state-chartered commercial bank. Established in 1887 as a mutual savings and loan, it became a federal mutual savings and loan in 1935, operating as First Federal Savings and Loan Association of Richmond. In 1993, the Bank operated as First Bank Richmond, S.B. after converting to a state-chartered mutual savings bank. It transitioned to a national bank charter in 1998 as part of a mutual holding company reorganization. In 2007, its holding company, Richmond Mutual Bancorporation-Delaware, acquired Mutual Federal Savings Bank in Sidney, Ohio. Mutual Federal operated independently until 2016, when it merged with First Bank Richmond to streamline operations. In 2017, the Bank converted to an Indiana state-chartered commercial bank and adopted the name First Bank Richmond, while continuing to operate in Ohio under the name Mutual Federal, a division of First Bank Richmond.

First Bank Richmond provides full banking services through its seven full- and one limited-service offices located in Cambridge City (1), Centerville (1), Richmond (5) and Shelbyville (1), Indiana, and its six full-service offices located in Piqua (2), Sidney (2), Troy (1), and Columbus (1), Ohio. Administrative, trust and wealth management services are conducted through First Bank Richmond’s Corporate Office/Financial Center located in Richmond, Indiana. As an Indiana-chartered commercial bank, First Bank Richmond is subject to regulation by the IDFI and the FDIC.

Our principal business consists of attracting deposits from the general public, as well as brokered deposits, and investing those funds primarily in loans secured by commercial and multi-family real estate, first mortgages on owner-

occupied, one- to four-family residences, a variety of consumer loans, direct financing leases and commercial and industrial loans. We also obtain funds by utilizing Federal Home Loan Bank (“FHLB”) advances. Funds not invested in loans generally are invested in investment securities, including mortgage-backed and mortgage-related securities and agency and municipal bonds.

First Bank Richmond generates commercial, mortgage and consumer loans and leases and receives deposits from customers located primarily in Wayne and Shelby Counties, in Indiana and Shelby, Miami and Franklin Counties, in Ohio. We sometimes refer to these counties as our primary market area. First Bank Richmond’s loans are generally secured by specific items of collateral including real property, consumer assets and business assets. Our leasing operation consists of direct investments in equipment that we lease (referred to as direct finance leases) to small businesses located throughout the United States. Our lease portfolio consists of various kinds of equipment, generally technology-related, such as computer systems, medical equipment and general manufacturing, industrial, construction and transportation equipment. We seek leasing transactions where we believe the equipment leased is integral to the lessee’s business. We also provide trust and wealth management services, including serving as executor and trustee under wills and deeds and as guardian and custodian of employee benefits, and manage private investment accounts for individuals and institutions. Total wealth management assets under management and administration were \$246.3 million at December 31, 2025.

Our results of operations are primarily dependent on net interest income. Net interest income is the difference between interest income, which is the income that is earned on loans and investments, and interest expense, which is the interest that is paid on deposits and borrowings. Other significant sources of pre-tax income are service charges (mostly from service charges on deposit accounts and loan servicing fees), and fees from sale of residential mortgage loans originated for sale in the secondary market. We also recognize income from the sale of investment securities.

First Insurance Management, Inc., a Nevada corporation, was formed in 2022 as a pooled captive insurance company subsidiary of the Company. The purpose of this company is to provide additional property and casualty insurance coverage to the Company and its subsidiaries and reinsurance to other third party insurance captives for which insurance may not be currently available or economically feasible in today’s insurance marketplace.

FB Richmond Holdings, Inc., a Nevada corporation, was formed in 2020 as a subsidiary of First Bank Richmond. FB Richmond Holdings holds substantially all of the Bank’s investment portfolio. As of December 31, 2025, the market value of securities held was \$254.7 million.

FB Richmond Properties, Inc., a Delaware corporation, was formed in 2020 as a subsidiary of FB Richmond Holdings, Inc. FB Richmond Properties holds certain residential mortgages and commercial real estate loans. As of December 31, 2025, FB Richmond Properties held approximately \$102.6 million in residential mortgages and commercial real estate loans.

At December 31, 2025, on a consolidated basis, we had \$1.5 billion in assets, \$1.2 billion in loans and leases, net of allowance, \$1.1 billion in deposits, and \$145.8 million in stockholders’ equity. At December 31, 2025, First Bank Richmond’s total risk-based capital ratio was 14.6%, exceeding the 10.0% requirement for a well-capitalized institution. For the year ended December 31, 2025, we reported net income of \$11.6 million, compared to net income of \$9.4 million for the year ended December 31, 2024.

On November 11, 2025, the Company entered into a definitive agreement with The Farmers Bancorp, Frankfort, Indiana (“Farmers Bancorp”), which is headquartered in Frankfort, Indiana. Pursuant to the merger agreement Farmers Bancorp will merge with and into the Company, with the Company as the surviving corporation in the merger. The transaction is expected to be completed in the second calendar quarter of 2026, subject to customary closing conditions, regulatory approval, and approval of the Company’s and Farmers Bancorp’s shareholders. For a more detailed description of the proposed merger, see “Note 3 – Acquisition of The Farmers Bancorp, Frankfort, Indiana”.

Market Area

Our primary market area includes Wayne and Shelby counties in Indiana and Shelby, Miami, and Franklin counties in Ohio. We conduct our business through 13 full service and one limited-service banking offices, with seven full-service and one limited-service offices located in Indiana and six offices situated in Ohio. Our main full-service banking office and four other branch offices are located in Richmond (Wayne County), Indiana. We operate two other offices in Wayne County in the towns of Cambridge City and Centerville, and one office in Shelbyville (Shelby County), Indiana, which is situated approximately 25 miles southeast of Indianapolis. Through Mutual Federal, a division of First Bank Richmond, we operate two offices in Sidney (Shelby County), Ohio, two offices in Piqua and one office in Troy, Ohio (Miami County), and one office in Columbus, Ohio

(Franklin County). Administrative, trust and wealth management services are provided at our Corporate Office/Financial Center located in Richmond, Indiana.

Indiana. Wayne County had an estimated population in 2025 of 66,400 with a median household income of approximately \$50,400. The unemployment rate in December 2025 was 2.7% in Wayne County, as compared to the national and state unemployment rates of 4.1% and 2.7%, respectively. The top employers in Wayne County include Reid Health, Richmond Community Schools, Sugar Creek Brandworthy Food Solutions, and Richmond State Hospital. First Bank Richmond operates seven banking offices in Wayne County, including five in Richmond, which is the largest city in Wayne County.

Richmond is a city in east central Indiana and the county seat of Wayne County. Richmond represents our largest deposit concentration and branch office presence. Richmond had an estimated population of 35,600 in 2025 with a median household income of approximately \$45,400. It is favorably located with excellent highway access and has over 7.8 million people within a 100-mile radius. Health care and social services are the primary sources of employment, followed by manufacturing and retail trade. The city is home to a regional hospital, Reid Health, as well as five higher educational institutions: Earlham College, Bethany Theological Seminary, Indiana University East, Purdue Polytechnic University-Richmond, and Ivy Tech Community College.

Within Wayne County, we also operate branches in Cambridge City and Centerville, which were initially opened in 1958 and 1959, respectively. Cambridge City is located in the western part of Wayne County approximately 15 miles west of Richmond, and had an estimated population of 1,700 with a median household income of approximately \$51,100 in 2025. The workforce in this community is primarily composed of health care and social service workers and employees in the manufacturing sector. Centerville had an estimated population of 2,800 with a median household income of approximately \$49,700 in 2025. It is a residential suburb to Richmond and home to many antique stores. While Wayne County experienced a 5.0% decline in population from 2010 to 2020, the population in Centerville increased by 3.6% during this period. The population growth in Centerville resulted in part from the influx of professionals and the appeal of its school system.

Shelbyville, where we operate one branch, is the county seat of Shelby County, Indiana. Shelby County had an estimated population in 2025 of 45,300 with a median household income of approximately \$72,200. Shelbyville, which had an estimated population of 20,300 with a median household income of \$55,600, is located in central Indiana and within the Indianapolis metropolitan area. Manufacturing, health care, and social services are the largest employment sectors in Shelby County. The unemployment rate in Shelby County was 2.5% in December 2025 compared to 3.4% in December 2024.

Ohio. We operate two offices in Sidney (Shelby County), Ohio, two offices in Piqua and one office in Troy (Miami County), Ohio, and one office in Columbus, Ohio (Franklin County).

Sidney is the largest city and the county seat of Shelby County, Ohio. Sidney is located approximately 35 miles north of Dayton, Ohio and 75 miles west of Columbus, Ohio. Sidney had an estimated population in 2025 of 20,500 with a median household income of approximately \$60,700. Manufacturing is the dominant industry among the employee workforce in Shelby County. Leading manufacturing employers in Shelby County include Honda of America Manufacturing, Airstream, and Plastipak Packaging. The unemployment rate in Shelby County was 3.6% in December 2025 compared to 4.0% in December 2024.

Miami County is located in west central Ohio and is part of the Dayton metropolitan area. Miami County had an estimated population in 2025 of 112,000 with a median household income of approximately \$84,800. Within Miami County, we have offices in Troy, which is the county seat and most populous city, and Piqua. Troy is located 19 miles north of Dayton, while Piqua is located 27 miles north of Dayton. Troy had an estimated population in 2025 of 26,800 with a median household income of approximately \$68,800, while Piqua had a population of 20,600 with a median household income of approximately \$67,800. The health care and social services industry is the leading industry employment sector in Miami County, followed by manufacturing as well as retail trade. The largest employers in Miami County include Upper Valley Medical Center, Clopay Building Products, F&P America, UTC Aerospace Systems, Meijer Distribution Center, ConAgra Foods, American Honda, and Hobart Brothers. The unemployment rate in Miami County was 3.7% in December 2025 compared to 4.0% in December 2024.

Columbus, Ohio, where we operate one office, is the state capital of and most populous city in Ohio. Columbus ranked as the 15th most populous city in the United States with an estimated population in 2025 of 931,600 and a median household income of approximately \$67,100. Columbus is the county seat of Franklin County, which along with nine other counties comprises the Columbus metropolitan area. The city has a diverse economy based on education, government, insurance, banking, defense, aviation, food, clothing, logistics, steel, energy, medical research, health care, hospitality, retail, and technology. Columbus is home to The Ohio State University, one of the largest universities in the nation.

The Columbus metropolitan area had an estimated population of 2.2 million and ranked as the 32nd most populous metropolitan area in the United States and the second most populous metropolitan area in Ohio, just behind the Cincinnati metropolitan area and slightly ahead of the Cleveland metropolitan area. The unemployment rate in December 2025 was 3.6% for both the entire Columbus metropolitan area and Franklin County, compared to 3.9% for the entire Columbus metropolitan area and 4.0% for Franklin County in December 2024.

Lending Activities

We offer a full range of lending products, including multi-family and commercial real estate loans (including owner and nonowner-occupied real estate loans), commercial and industrial loans (including equipment loans and working capital lines of credit), construction and development loans, residential real estate loans, including home equity loans and lines of credit, and consumer loans. We also engage in lease financing, which consists of direct financing leases and is used by our commercial customers to finance purchases of equipment. We offer consumer loans, predominantly as an accommodation to our customers, secured by personal assets such as automobiles or recreational vehicles. Some consumer loans are unsecured, such as small installment loans and certain lines of credit. Lending activities originate from the relationships and efforts of our bankers.

Loan Approval Procedures and Authority. Pursuant to Indiana law, the aggregate amount of loans that First Bank Richmond is permitted to make to any one borrower, or a group of related borrowers, is generally limited to 15% of First Bank Richmond's unimpaired capital and surplus. An additional amount may be loaned, up to 10% of unimpaired capital and surplus, if the loan is secured by readily marketable collateral, which generally does not include real estate. At December 31, 2025, based on the 15% limitation, First Bank Richmond's loans-to-one-borrower limit was approximately \$28.0 million. As of December 31, 2025, First Bank Richmond was in compliance with the loans-to-one-borrower limitations. At December 31, 2025, our largest lending relationship with one borrower was for \$23.5 million consisting of four commercial real estate loans secured by properties in the Dayton, Ohio area. This loan relationship was performing in accordance with its repayment terms at December 31, 2025.

Our lending is subject to written underwriting standards and origination procedures set forth in First Bank Richmond's loan policy. Decisions on loan applications are made on the basis of detailed information submitted by the prospective borrower, credit histories that we obtain, and property valuations (consistent with our appraisal policy) prepared by outside independent licensed appraisers approved by our board of directors as well as internal evaluations, where permitted by regulations. The loan information is primarily designed to determine the borrower's ability to repay the requested loan, and the more significant items are verified through use of credit reports, bank statements and tax returns. Loans containing a policy exception have the exception noted in the credit file accompanied by a statement as to the reason for granting the exception. Exceptions must be approved in accordance with First Bank Richmond's loan policy. All loan approval amounts are based on the aggregate debt, including total commitments outstanding and the proposed loan to the individual borrower and any related entity.

First Bank Richmond's board of directors has the responsibility for approving, on an annual basis, specific lending authority for individual officers, combinations of officers, or loan committees.

Loan Maturity and Repricing. The following tables set forth certain information at December 31, 2025 regarding the dollar amount of loans maturing in our portfolio based on their contractual terms to maturity, but does not include scheduled payments or potential prepayments. Loans with scheduled maturities are reported in the maturity category in which the loan is due. Loans that have adjustable rates are shown as amortizing to final maturity rather than when the interest rates are next subject to change. Loan balances do not include undisbursed loan proceeds, unearned discounts, unearned income and allowance for credit losses on loans and leases.

	Due in 1 Year or Less	Weighted Average Yield	Due After 1 Year Through 5 Years	Weighted Average Yield	Due After 5 Years Through 15 Years	Weighted Average Yield	Due After 15 Years	Weighted Average Yield	Total Loans and Leases	Weighted Average Yield
(Dollars in thousands)										
Commercial mortgage	\$ 8,534	5.7 %	\$ 110,385	6.0 %	\$ 170,947	6.0 %	\$ 124,450	5.9 %	\$ 414,316	6.0 %
Commercial and industrial	56,160	6.2	35,521	7.0	42,368	6.9	8,459	5.5	142,508	6.5
Construction and development	30,363	7.2	20,894	6.6	13,021	6.5	7,427	6.8	71,705	6.9
Multi-family	40,325	5.2	51,034	6.6	68,379	4.8	49,156	6.2	208,894	5.7
Residential mortgage	1,877	6.9	14,931	6.4	45,604	5.7	108,651	5.3	171,063	5.5
Home equity lines of credit	669	5.5	6,584	7.2	12,894	6.8	—	—	20,147	6.9
Leases	8,193	7.6	133,714	9.9	3,899	9.7	—	—	145,806	9.7
Consumer	489	5.5	10,751	6.9	7,185	6.8	855	7.3	19,280	6.9
Total loans and leases	<u>\$ 146,610</u>		<u>\$ 383,814</u>		<u>\$ 364,297</u>		<u>\$ 298,998</u>		<u>\$1,193,719</u>	

	Amount due after one year at fixed interest rates:	Amount due after one year at variable interest rates:
(Dollars in thousands)		
Commercial mortgage	\$ 66,101	\$ 339,681
Commercial and industrial	31,026	55,322
Construction and development	2,969	38,373
Multi-family	7,292	161,277
Residential	86,764	82,422
Home equity lines of credit	5,484	13,994
Leases	137,613	—
Consumer	18,669	122
Total loans and leases	<u>\$ 355,918</u>	<u>\$ 691,191</u>

Residential Mortgage Lending. We make one- to four-family residential real estate loans and home equity loans and lines of credit secured by the borrower's primary residence. In addition, we may periodically purchase residential loans, which we refer to as brokered mortgages, primarily during periods of reduced loan demand in our primary market areas and at times to support our Community Reinvestment Act lending activities, although we have not purchased any brokered mortgage loans in the last nine years. Any such purchases are made generally consistent with our underwriting standards for residential mortgage loans. At December 31, 2025, \$191.2 million, or 16.0%, of our total loan and lease portfolio was secured by residential real estate, consisting of \$162.5 million of one- to four-family residential real estate loans, \$8.6 million of home equity loans, and \$20.1 million of home equity lines of credit.

We originate both fixed-rate and adjustable-rate one- to four-family residential real estate loans. At December 31, 2025, 51.3% of our one- to four-family residential real estate loans were fixed-rate loans and 48.7% of such loans were adjustable-rate loans. Most of our loans are underwritten using generally-accepted secondary market underwriting guidelines. We typically sell most of the conforming, fixed-rate one- to four-family loans we originate into the secondary market to Fannie Mae and, to a lesser extent, the FHLB of Indianapolis. Loans that are sold into the secondary market to Fannie Mae or the FHLB of Indianapolis are sold with the servicing retained to maintain the client relationship and to generate non-interest income. The sale of mortgage loans provides a source of non-interest income through the gain on sale, reduces our interest rate

risk, provides a stream of servicing income, enhances liquidity and enables us to originate more loans at our current capital level than if we held the loans in our loan portfolio. During the year ended December 31, 2025, we originated \$35.1 million one- to four-family fixed-rate mortgage loans and \$10.7 million one- to four-family adjustable-rate mortgage (“ARM”) loans, and sold \$17.8 million of these loans without recourse to Fannie Mae and the FHLB of Indianapolis. See “- Originations, Sales and Purchases of Loans.”

Substantially all the one- to four-family residential mortgage loans we retain in our portfolio consist of fixed-rate loans that do not satisfy acreage limits, income, credit, conforming loan limits (i.e., jumbo mortgages) or various other requirements imposed by Fannie Mae or are adjustable-rate loans. Some of these loans are also originated to meet the needs of borrowers who cannot otherwise satisfy Fannie Mae credit requirements because of personal and financial reasons (i.e., bankruptcy, length of time employed, etc.), and other aspects which do not conform to Fannie Mae’s guidelines. Such borrowers may have higher debt-to-income ratios, or the loans are secured by unique properties in rural markets for which there are no sales of comparable properties to support the value according to secondary market requirements. We may require additional collateral or lower loan-to-value ratios to reduce the risk of these loans. We believe that these loans satisfy the needs of borrowers in our market area. As a result, subject to market conditions, we intend to continue to originate these types of loans. We also retain jumbo loans which exceed the conforming loan limits and therefore are not eligible to be purchased by Fannie Mae. At December 31, 2025, \$45.3 million or 23.7% of our one- to four-family loan portfolio consisted of jumbo loans.

We generally underwrite our one- to four-family loans based on the applicant’s employment and credit history and the appraised value of the subject property. We generally lend up to 89% of the lesser of the appraised value or purchase price for one- to four-family first mortgage loans and non-owner occupied first mortgage loans. For first mortgage loans with a loan-to-value ratio in excess of 89%, we may require private mortgage insurance or other credit enhancement to help mitigate the risk. Fixed-rate loans secured by one- to four-family residences may have contractual maturities of up to 30 years. All of these loans are fully amortizing, with payments due monthly. Properties securing our one- to four-family loans are typically appraised by independent fee appraisers who are selected in accordance with criteria approved by the Loan Committee. For loans that are less than \$250,000, we may use an automated valuation model, in lieu of an appraisal. We require title insurance policies on all first mortgage real estate loans originated over \$100,000. Homeowners, liability, fire and, if required, flood insurance policies are also required for one-to four-family loans. Our real estate loans generally contain a “due on sale” clause allowing us to declare the unpaid principal balance due and payable upon the sale of the security property.

ARM loans are offered with annual adjustments and life-time rate caps that vary based on the product, generally with a maximum annual rate change of 2.0% and a maximum overall rate change of 6.0%. We generally use the rate on one-year Treasury Bills to re-price our ARM loans. As a consequence of using caps, the interest rates on ARM loans may not be as rate sensitive as our cost of funds. Furthermore, because loan indexes may not respond perfectly to changes in market interest rates, upward adjustments on loans may occur more slowly than increases in our cost of interest-bearing liabilities, especially during periods of rapidly increasing interest rates. Because of these characteristics, future yields on ARM loans may not be sufficient to offset increases in our cost of funds.

ARM loans generally pose different credit risks than fixed-rate loans, primarily because as interest rates rise, the borrower’s payment increases, which increases the potential for default. We continue to offer our fully amortizing ARM loans with a fixed interest rate for the first one, three, five or seven years, followed by a periodic adjustable interest rate for the remaining term.

The average balance of our one- to four-family residential loans secured by first mortgages was approximately \$148,000 at December 31, 2025.

We originate fixed-rate home equity loans and fixed- and variable-rate lines of credit secured either by a first or second lien on the borrower’s primary residence. Our home equity loans are fixed rate fully amortizing loans with terms of up to 15 years and are generally originated in amounts, together with the amount of the existing first mortgage, of up to 89% of the appraised value of the subject property. Home equity loans originated with a loan to value ratio in excess of 80% are subject to a higher origination fee and higher interest rate than home equity loans with loan to value ratios of 80% or less. If the home equity loan is for home improvements, the improvements to be made to the property may be considered when calculating the loan to value ratio. If the loan to value ratio on the property is sufficient, regardless of the improvements to be made, the proceeds may be disbursed directly to the borrower. When the appraised value is dependent on the improvements to meet the loan to value requirement, the proceeds are held by us until we receive reasonable assurance that the improvements have been completed. The loan officers, at their discretion, may use a limited appraisal or a recertification of value on these types of loans. At December 31, 2025, home equity loans totaled \$8.6 million, or 0.7% of our total loan and lease portfolio.

Home equity lines of credit may be either fixed- or adjustable-rate and are typically originated in amounts, together with the amount of the existing first mortgage, of up to 89% of the appraised value of the subject property. Home equity lines of credit originated with a loan to value ratio in excess of 80% are subject to a higher interest rate than home equity lines of credit with loan to value ratios of 80% or less. Home equity lines of credit with an adjustable rate of interest adjust quarterly and are based on the Wall Street Journal Prime rate, plus a margin. Our fixed rate lines have a five-year draw period and our adjustable-rate lines have a 10-year draw period, during which time the funds may be paid down and redrawn up to the committed amount. Once the draw period has lapsed, the borrower either pays off the loan balance, or a new loan is negotiated. We charge an annual fee on each home equity line of credit and require a monthly payment of 0.9% of the outstanding balance drawn during the period, plus interest. At December 31, 2025, home equity lines of credit totaled \$20.1 million, or 1.7% of our total loan and lease portfolio, with adjustable-rate home equity lines of credit totaling \$14.2 million and fixed rate home equity lines making up the remaining balance. At December 31, 2025, unfunded commitments on home equity lines of credit totaled \$20.9 million.

We do not engage in originating interest only, negative amortization, option adjustable rate or subprime loans and have no established program to originate or purchase these loans. Subprime loans are defined as loans that at the time of loan origination had a FICO credit score of less than 660. Of the \$191.2 million in one- to four- family loans, including home equity loans and lines of credit, in our portfolio as of December 31, 2025, \$11.3 million, or 5.9%, were to borrowers with a credit score under 660. At December 31, 2025, delinquent subprime loans totaled \$2.2 million.

Multi-family and Commercial Real Estate Lending. We originate commercial real estate loans, including loans secured by multi-family residential properties, office buildings, hotels, industrial properties, retail buildings, medical and professional buildings, restaurants and various other commercial properties located principally in our primary market area. As of December 31, 2025, \$623.2 million or 52.2% of our total loan and lease portfolio was secured by commercial and multi-family real estate, of which \$207.3 million, or 17.4% of our total loan and lease portfolio, was secured by property located in the Columbus, Ohio market. Multi-family loans totaled \$208.9 million of the \$623.2 million commercial and multi-family real estate loan portfolio, or 17.5% of our total loan and lease portfolio, at December 31, 2025. Of the remaining \$414.3 million of this portfolio, approximately \$273.4 million was secured by income producing, or non-owner-occupied commercial real estate. We also purchase and participate, from time to time, in multi-family and commercial real estate loans from other financial institutions, which amounts are included in our multi-family and commercial real estate loan portfolios. Such loans are independently underwritten according to our policies. At December 31, 2025, our purchased multi-family and commercial real estate loan participations totaled \$74.3 million, or 11.9% of our total multi-family and commercial real estate loan portfolios, of which \$25.9 million involve loans secured by collateral outside of our primary market area.

Multi-family and commercial real estate loans generally are priced at a higher rate of interest than one- to four-family residential loans. Typically, these loans have higher loan balances, are more difficult to evaluate and monitor, and involve a greater degree of risk than one- to four-family residential loans. Often payments on loans secured by commercial or multi-family properties are dependent on the successful operation and management of the property; therefore, repayment of these loans may be affected by adverse conditions in the real estate market or the economy. We generally require and obtain loan guarantees from financially capable parties based upon the review of personal financial statements. If the borrower is a corporation, we generally require and obtain personal guarantees from the corporate principals based upon a review of their personal financial statements and individual credit reports. In addition, the borrower's and guarantor's financial information on such loans is monitored on an ongoing basis by requiring periodic financial statements.

Our commercial and multi-family real estate loans generally have initial terms of 10 to 20 years and amortization terms of up to 25 years, with a balloon payment at the end of the initial term and may be fixed-rate or adjustable-rate loans. Our adjustable-rate multi-family and commercial real estate loans are generally tied to a margin above the prime rate or the applicable treasury rate. The maximum loan-to-value ratio of our multi-family and commercial real estate loans is generally 80% of the lower of cost or appraised value of the property securing the loan. At December 31, 2025, 16.9% of our multi-family and commercial real estate loans were fixed-rate loans and 83.1% were adjustable-rate loans.

We consider a number of factors in originating multi-family and commercial real estate loans. We evaluate the qualifications and financial condition of the borrower, including project-level and global cash flows, credit history and management expertise, as well as the value and condition of the property securing the loan. When evaluating the qualifications of the borrower, we consider the financial resources of the borrower, the borrower's experience in owning or managing similar property and the borrower's payment history with us and other financial institutions. In evaluating the property securing the loan, the factors we consider include the net operating income of the mortgaged property before debt service and depreciation, the ratio of the loan amount to the appraised value of the mortgaged property and the debt service coverage ratio (the ratio of net operating income to debt service). We generally require a debt service ratio of at least 1.10x. All multi-family and commercial real estate loans in excess of \$500,000 are appraised by outside independent appraisers. We require property and casualty insurance and also require flood insurance if the property is determined to be in a flood zone area.

In addition, we generally require a Phase I Environmental Audit as a condition of making multi-family and commercial real estate loans in excess of \$1.0 million, which audit is performed by a qualified environmental consulting firm. The Phase I Environmental Audit includes appropriate inquiry into previous ownership and uses of the real estate to satisfactorily comply with the “Innocent Landowner Defense Amendment” to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA). The results and recommendations of the audit must be acceptable to us prior to loan closing. For loans less than \$1.0 million but greater than \$150,000, a full Phase I Environmental Audit is not required, although an environmental investigation is typically performed by qualified bank personnel or a third party to determine if a full Phase I Environmental Audit should be done.

At December 31, 2025, the average loan size of our outstanding multi-family and commercial real estate loans was \$1.3 million, and the largest of such loans was a \$13.6 million loan secured by a 210,000 square-foot industrial facility located in a Columbus, Ohio suburb. This loan was performing in accordance with its repayment terms at December 31, 2025. We had 60 other commercial and multi-family real estate loans each with an outstanding balance in excess of \$3.0 million at December 31, 2025, all of which were performing in accordance with their repayment terms at December 31, 2025. Our largest lending relationship at December 31, 2025 was with one borrower for \$23.5 million consisting of four commercial real estate loans secured by properties in the Dayton, Ohio area. All of these loans were performing in accordance with their repayment terms at December 31, 2025.

Multi-family and commercial real estate loans entail greater credit risks compared to one- to four-family residential real estate loans because they typically involve larger loan balances concentrated with single borrowers or groups of related borrowers. In addition, the repayment of loans secured by income-producing properties typically depends on the successful operation of the property, as repayment of the loan generally is dependent, in large part, on sufficient income from the property to cover operating expenses and debt service. Changes in economic conditions that are not in the control of the borrower or lender could affect the value of the collateral for the loan or the future cash flow of the property. Additionally, any decline in real estate values may be more pronounced for multi-family and commercial real estate than residential properties. If we foreclose on a commercial or multi-family real estate loan, the marketing and liquidation period to convert the real estate asset to cash can be a lengthy process with substantial holding costs. In addition, vacancies, deferred maintenance, repairs and market stigma can result in prospective buyers expecting sale price concessions to offset their real or perceived economic losses for the time it takes them to return the property to profitability. Depending on the individual circumstances, initial charge-offs and subsequent losses on multi-family and commercial real estate loans can be unpredictable and substantial.

The composition of, and location of the underlying collateral securing, our multi-family and commercial real estate loan portfolio at December 31, 2025 was as follows:

Type of Security	Indiana	Ohio	Other	Total	% of Total in Category
	(Dollars in thousands)				
Office buildings	\$ 24,769	\$ 51,327	\$ 49	\$ 76,145	12.2 %
Multi-family/Apartment buildings	85,462	123,280	152	208,894	33.5
Hotels	32,547	107,676		140,223	22.5
Industrial buildings	41,017	26,845	1,566	69,428	11.1
Retail	20,952	18,671	—	39,623	6.4
Medical	6,329	8,344	—	14,673	2.4
Automotive	7,999	10,539	—	18,538	3.0
Restaurants	7,672	3,324	—	10,996	1.8
Campgrounds/Golf Courses/Leisure Activities	7,349	6,168	—	13,517	2.2
Agricultural	3,807	4,104	540	8,451	1.4
Other	6,522	14,239	1,961	22,722	3.7
Total ⁽¹⁾	<u>\$ 244,425</u>	<u>\$ 374,517</u>	<u>\$ 4,268</u>	<u>\$ 623,210</u>	<u>100.0 %</u>

(1) Ohio total includes \$207.3 million of commercial and multi-family loans secured by property located in the Columbus, Ohio market.

Commercial and Industrial Lending. We make secured and unsecured commercial and industrial loans, including commercial lines of credit, working capital loans, term loans, equipment financing, acquisition, expansion and development loans, letters of credit and other loan products, principally in our primary market area. These loans are made based primarily on historical and projected cash flows of the borrower and secondarily on the underlying collateral provided by the borrower. We take as collateral a lien on general business assets including, among other things, available real estate, accounts receivable, inventory and equipment and generally obtain a personal guaranty of the borrower or principal. Our operating lines of credit typically are limited to a percentage of the value of the assets securing the line. Lines of credit and term loans typically are reviewed annually. As of December 31, 2025, we had \$142.5 million of commercial and industrial loans, representing 11.9% of our total loan and lease portfolio, including \$7.6 million of unsecured commercial and industrial loans.

The terms of our commercial and industrial loans vary by purpose and by type of underlying collateral. We typically make equipment loans for a term of five years or less at fixed or adjustable rates, with the loan fully amortized over the term. Terms greater than five years may be appropriate in some circumstances, based upon the useful life of the underlying asset being financed or if some form of credit enhancement, such as an SBA guarantee, is obtained. Loans to support working capital typically have terms not exceeding one year and are usually secured by accounts receivable, inventory and personal guarantees of the principals of the business. The interest rates charged on loans vary with the degree of risk and loan amount and are further subject to competitive pressures, money market rates, the availability of funds and government regulations. For loans secured by accounts receivable and inventory, principal is typically repaid as the assets securing the loan are converted into cash (monitored on a monthly or more frequent basis as determined necessary in the underwriting process), and for loans secured with other types of collateral, principal is typically due at maturity.

In general, commercial and industrial loans may involve increased credit risk and, therefore, typically yield a higher return. The increased risk in commercial and industrial loans derives from the expectation that such loans generally are serviced principally from the operations of the business, and those operations may not be successful. Any interruption or discontinuance of operating cash flows from the business, which may be influenced by events not under the control of the borrower such as economic events and changes in governmental regulations, could materially affect the ability of the borrower to repay the loan. In addition, the collateral securing commercial and industrial loans generally includes moveable property such as equipment and inventory, which may decline in value more rapidly than we anticipate, exposing us to increased credit risk. As a result of these additional complexities, variables and risks, commercial and industrial loans require extensive underwriting and servicing.

At December 31, 2025, the average loan size of our outstanding commercial and industrial loans was \$270,000. Our largest outstanding commercial and industrial loan at that date was a working capital line of credit totaling \$8.0 million, which was secured by all of the assets of the business and performing in accordance with its repayment terms at December 31, 2025. We had 27 other commercial and industrial loans with an outstanding balance in excess of \$1.0 million at December 31, 2025, all of which were performing in accordance with their repayment terms at that date.

Construction and Development Lending. We originate loans to finance the construction of commercial real estate projects, such as multi-family housing, industrial, office and retail centers. We also originate residential construction loans to borrowers and builders secured by single-family residences. On a much smaller scale, we may originate loans for the acquisition and development of residential or commercial land into buildable lots. At December 31, 2025, our construction and development loan portfolio totaled \$71.7 million, or 6.0% of our total loan and lease portfolio, consisting of \$65.2 million in commercial construction loans and \$6.5 million in residential construction loans. At December 31, 2025, we had unfunded construction loan commitments totaling \$22.5 million and \$3.8 million in commercial and residential construction loans, respectively. We also purchase and participate, from time to time, in construction loans from other financial institutions, which amounts are included in our construction and development loan portfolio. Such loans are independently underwritten according to our policies. At December 31, 2025, we did not have any purchased construction and development loan participations.

Our commercial construction loans are typically made to builders/developers that have an established record of successful project completion and loan repayment. We conduct periodic inspections, either directly or through an agent, prior to approval of periodic draws on these loans based on the percentage of completion. Underwriting guidelines for our commercial construction loans are similar to those described above for our commercial real estate lending. General liability, builder's risk hazard insurance, title insurance, and flood insurance (as applicable, for properties located or to be built in a designated flood hazard area) are also required on all construction and development loans.

Our commercial construction loans have terms to maturity that typically range from one to two years depending on factors such as the type and size of the development and the financial strength of the borrower/guarantor. Commercial construction loans are typically structured with an interest only period during the construction phase. Commercial construction loans are underwritten to either mature, or transition to a traditional amortizing loan, at the completion of the construction phase. The loan-to-value ratio on our commercial construction loans, as established by independent appraisal, typically will not

exceed 80% of the appraised value on a completed basis or the cost of completion, whichever is less. These loans generally include an interest reserve of 1% to 5% of the loan commitment amount. The average outstanding loan size in our commercial construction loan portfolio was approximately \$1.7 million at December 31, 2025.

Commercial construction loans on property built for speculative purposes that has not sold in a period of eighteen months after completion will require re-margining at no more than 89% of current appraised value and monthly amortization based on a 25-year payout. At December 31, 2025, \$31.1 million, or 43.4%, of our total commercial construction loan portfolio consisted of speculative construction loans.

We finance the construction of pre-sold owner occupied, one- to four-family residential properties in our market areas to builders and prospective homeowners. Our residential construction loans are originated primarily on a construction/ permanent basis with such loans converting to an amortizing loan following the completion of the construction phase. Our residential construction loans generally provide for the payment of interest only during the construction phase, which is typically up to nine months. The average outstanding residential construction loan balance was approximately \$295,000 at December 31, 2025.

Residential construction loans are made with a maximum loan-to-value ratio of the lower of 80% of the cost or appraised value at completion. Commitments to fund residential construction loans generally are made subject to an appraisal of the property by an independent licensed appraiser. Loan proceeds are disbursed after inspection by a third-party inspector based on the percentage of completion method.

On a more limited basis, we also make land loans to developers, builders and individuals to finance the commercial development of improved lots or unimproved land. In making land loans, we follow underwriting policies and disbursement and monitoring procedures similar to those for commercial construction loans. These land loans also involve additional risks because the loan amount is based on the projected value of the lots after development. We make these loans for up to 65% of the estimated value of raw land and up to 75% of the estimated value of developed land, with a term of up to two years with interest only payments, payable monthly.

Construction loans generally involve greater credit risk than long-term financing on improved, owner occupied real estate. In the event a loan is made on property that is not yet approved for the planned development or improvements, there is a risk that necessary approvals will not be granted or will be delayed. Risk of loss on a construction loan also depends upon the accuracy of the initial estimate of the value of the property at completion of construction compared to the estimated cost (including interest) of construction and other assumptions. If the estimate of construction cost is inaccurate, we may be required to advance additional funds beyond the amount originally committed in order to protect the value of the property. Moreover, if the estimated value of the completed project is inaccurate, the borrower may hold a property with a value that is insufficient to assure full repayment of the construction loan upon the sale of the property. Construction loans also carry the risk that construction will not be completed on time in accordance with specifications and projected costs. In addition, repayment of these loans can be dependent on the sale or rental of the property to third parties, and the ultimate sale or rental of the property may not occur as anticipated. Other risks may include the fraudulent diversion of construction funds, the filing of mechanics liens by contractors, subcontractors or suppliers, or the contractor's failure to complete the construction of the project.

We seek to address the forgoing risks associated with construction and development lending by developing and adhering to underwriting policies, disbursement procedures and monitoring practices. Specifically, we (i) seek to diversify loans in our market areas, (ii) evaluate and document the creditworthiness of the borrower and the viability of the proposed project, (iii) obtain an appraisal of the property by an independent licensed appraiser, (iv) limit loan-to-value ratios to specified levels, (v) control disbursements on construction loans on the basis of on-site inspections by third party inspectors, and (vi) monitor economic conditions in each market. No assurances, however, can be given that these practices will be successful in mitigating the risks of construction and development lending.

At December 31, 2025, our largest construction and land development loan had an outstanding balance of \$9.3 million and was secured by a first mortgage and assignment of rents and leases on an urban development site in Indianapolis, Indiana. At December 31, 2025, this loan was performing according to its repayment terms. We had 6 other construction and development loans each with an outstanding balance in excess of \$3.0 million at December 31, 2025, all of which were performing in accordance with their repayment terms at that date except for one \$4.9 million loan that is subject to litigation between the developer and other parties.

Lease Financing. We conduct our leasing operations through First Federal Leasing, a division of First Bank Richmond. Our lease financing operation consists of direct financing leases which are used by commercial customers to finance purchases such as medical, computer and manufacturing equipment, audio/visual equipment, industrial assets, construction and

transportation equipment, and a wide variety of other commercial equipment. We rely solely on brokers and other third-party originators to generate our lease transactions. The nature of our business requires the use of brokers and third-party originators as it focuses on transactions generally ranging between \$2,500 and \$250,000 (with an average size of \$51,000) with terms of 24 to 72 months, and a weighted average term of 38.8 months as of December 31, 2025. Our risk management profile centers on internally rated “A” quality credits. At December 31, 2025, our direct finance leasing portfolio totaled \$145.8 million, or 12.2% of our total loan and lease portfolio, with lease contracts located throughout the United States.

At lease inception, we record an asset (net investment) representing the aggregate future minimum lease payments and deferred indirect costs less unearned income. Income is recognized over the life of the lease to approximate a level rate of return on the net investment.

To generate deal flow, we actively work with over 100 brokers and third-party originators across the country, some of which are one person shops and others more established companies, with most of the volume coming from fewer than 25 referral sources. We have operated with this model since we commenced leasing operations in 1989 and have developed procedures to minimize fraud and concentration risk. The leases are processed by us through our lease origination software, which allows brokers to populate the fields with customer information and attach credit documentation, streamlining the data collection process. There is no automated approval process. Each lease application is reviewed by a credit administrator and then sent to a credit underwriter for review and approval. We have procedures in place to check and underwrite all the data we receive from the brokers and third-party originators, including ensuring that the potential lessee is operating from the location given and tracking the performance of each vendor.

The credit decisions for these transactions are based upon an assessment of the overall financial capacity of the applicant and generally require that the applicant have a minimum FICO score of 675. A determination is made as to the applicant’s ability to repay in accordance with the proposed terms as well as an overall assessment of the risks involved. In addition to an evaluation of the applicant’s financial condition, a determination is made of the probable adequacy of the primary and secondary sources of repayment, such as personal guarantees, to be relied upon in the transaction. Credit agency reports of the applicant’s credit history supplement the analysis of the applicant’s creditworthiness.

We generally file a UCC-1 financing statement on all of our lease transactions to perfect our interest in the equipment, except in the case of (i) titled equipment, where we would require the title in lieu of the UCC financing statement, (ii) transactions under \$5,000 or (iii) for equipment with very little value, such as computer software. Perfection gives us a claim to the collateral that is superior to someone that obtains a lien through the judicial process subsequent to the perfection of a security interest. The failure to perfect a security interest does not render the security interest unenforceable against the borrower. However, failure to perfect a security interest risks avoidance of the security interest in bankruptcy or subordination to the claims of third parties.

At December 31, 2025, approximately \$55.1 million or 37.7% of the aggregate dollar amount of our lease portfolio was secured by property concentrated in four states: California at 16.6%; New York at 8.6%; Florida at 6.7%; and Texas at 5.9%. Our largest leasing relationship at that date was with the State of Arkansas which consisted of more than 3,200 leases totaling approximately \$7.0 million in lease receivables, all of which were performing in accordance with the lease terms. Our second largest leasing relationship was with a drilled pile foundation company located in Florida consisting of four contracts totaling approximately \$585,000 in lease receivables, all of which were performing in accordance with the lease terms.

Consumer Lending. We offer a variety of secured and unsecured consumer loans to individuals who reside or work in our market area, including new and used automobile loans, motorcycle loans, boat loans, recreational vehicle loans, mobile home loans and loans secured by certificates of deposit. Most of our consumer loans are made as an accommodation to our existing customers. At December 31, 2025, our consumer loan portfolio totaled \$19.3 million, or 1.6% of our total loan and lease portfolio, including \$1.4 million of unsecured consumer loans.

Consumer loans generally have shorter terms to maturity, which reduces our exposure to changes in interest rates. In addition, management believes that offering consumer loan products helps to expand and create stronger ties to our existing customer base by increasing the number of customer relationships and providing cross-marketing opportunities.

Originations, Sales and Purchases of Loans

Our loan originations are generated by our loan personnel operating at our office locations. While we originate both fixed-rate and adjustable-rate loans, our ability to generate each type of loan depends upon relative borrower demand and the pricing levels as set in the local marketplace by competing banks, thrifts, credit unions, and mortgage banking companies. Our volume of real estate loan originations is influenced significantly by market interest rates, and, accordingly, the volume of our

real estate loan originations can vary from period to period. During the year ended December 31, 2025, we originated \$144.4 million of fixed rate loans and leases and \$163.7 million of adjustable-rate loans, compared to \$133.7 million of fixed rate loans and leases and \$103.4 million of adjustable-rate loans during the year ended December 31, 2024.

The following tables provide information regarding our originations for the periods indicated:

	Year Ended December 31, 2025				
	Fixed Rate		Floating or Adjustable Rate		Total
	(Dollars in thousands)				
Residential mortgage ⁽¹⁾	\$	35,115	\$	10,693	\$ 45,808
Home equity lines of credit		4,074		9,916	13,990
Multi-family and commercial real estate		17,084		76,855	93,939
Construction and development		3,942		49,091	53,033
Consumer		8,041		274	8,315
Commercial and industrial		6,671		16,874	23,545
Leases		69,436		—	69,436
Total	\$	144,363	\$	163,703	\$ 308,066

(1) Includes \$1.8 million of fixed-rate and \$359,000 of adjustable-rate loans secured by second mortgages on residential properties.

	Year Ended December 31, 2024		
	Fixed Rate	Floating or Adjustable Rate	Total
	(Dollars in thousands)		
Residential mortgage ⁽¹⁾	\$ 38,147	\$ 11,858	\$ 50,005
Home equity lines of credit	2,398	12,908	15,306
Multi-family and commercial real estate	3,758	36,906	40,664
Construction and development	9,482	16,537	26,019
Consumer	8,224	—	8,224
Commercial and industrial	10,067	25,215	35,282
Leases	61,605	—	61,605
Total	\$ 133,681	\$ 103,424	\$ 237,105

(1) Includes \$2.4 million of fixed-rate and \$470,000 of adjustable-rate loans secured by second mortgages on residential properties.

Total loan and lease originations increased \$71.0 million, or 29.9%, to \$308.1 million in 2025 from \$237.1 million in 2024, driven by higher originations in multi-family and commercial real estate, construction and development loans, and lease activity, partially offset by lower residential mortgage, home equity line of credit, and commercial and industrial loan originations.

We consider our balance sheet as well as market conditions on an ongoing basis in making decisions as to whether to hold residential loans we originate for investment or to sell these loans to investors, choosing the strategy that is most advantageous to us from a profitability and risk management standpoint. We sell the majority of the fixed-rate conforming and eligible jumbo one- to four-family residential real estate loans that we originate, generally on a servicing-retained basis, while retaining some non-eligible fixed-rate and adjustable-rate one- to four-family residential real estate loans in order to manage the duration and time to repricing of our loan portfolio. All FHA, VA and USDA loans we originate are sold on a servicing-released, non-recourse basis in accordance with FHA, VA and USDA guidelines. For the years ended December 31, 2025 and 2024, we sold \$17.8 million and \$25.2 million of one- to four-family residential real estate loans, respectively. During the year ended December 31, 2025, we did not originate or sell any FHA, VA, or USDA loans, compared to no FHA, VA or USDA loans originated or sold during the year ended December 31, 2024.

We recognize, at the time of sale, the cash gain or loss on the sale of the loans based on the difference between the net cash proceeds received and the carrying value of the loans sold. Subject to market and economic conditions, management intends to continue this sales activity in future periods to generate gain on sale income.

From time to time, we may purchase loan participations secured by properties within and outside of our primary lending market area in which we are not the lead lender. In these circumstances, we follow our customary loan underwriting and approval policies. At December 31, 2025, we had 40 loans totaling \$83.4 million, consisting of \$74.3 million of multifamily and commercial real estate loans, and \$9.1 million of other loans in which we were not the lead lender (of which \$32.9 million are for loans secured by collateral located outside of our primary market area). All of these participation loans were performing in accordance with their original repayment terms at December 31, 2025. We also have sold portions of loans we originate that exceeded our loans-to-one borrower legal lending limit or for risk diversification. Historically, we have not purchased whole loans. Pursuant to our growth strategy, however, we may purchase whole loans in the future.

Delinquencies and Non-Performing Assets

Loans and leases are reviewed on a regular basis. Past due status is based on contractual terms of the loan. For all loan classes, the entire balance of the loan is considered past due if the minimum payment contractually required to be paid is not received by the contractual due date. Nonperforming loans and leases consist of loans and leases delinquent past 90 days and still accruing, and all loans and leases that are placed on nonaccrual. Nonaccrual loans and leases are loans and leases for which collectability is questionable and, therefore, interest on such loans will no longer be recognized on an accrual basis.

We generally cease accruing interest on our loans and leases when contractual payments of principal or interest have become 90 days past due or management has serious doubts about further collectability of principal or interest, even though the loan or lease is currently performing. A loan or lease may remain on accrual status if it is in the process of collection and is either guaranteed or well secured. When a loan or lease is placed on nonaccrual status, unpaid interest credited to income is reversed. Interest received on nonaccrual loans and leases generally is applied against principal or interest and is recognized on a cash basis. Generally, loans and leases are restored to accrual status when the obligation is brought current, has performed in accordance with the contractual terms for a reasonable period of time and the ultimate collectability of the total contractual principal and interest is no longer in doubt.

Nonperforming loans and leases totaled \$17.4 million, or 1.46% of total loans and leases at December 31, 2025 and \$6.8 million, or 0.58% of total loans and leases at December 31, 2024. Nonaccrual loans and leases totaled \$13.2 million at December 31, 2025, compared to \$5.1 million at December 31, 2024. The increase was primarily attributable to one commercial real estate loan of \$6.7 million, which had a loan-to-value ratio of approximately 32.2% and was in the process of foreclosure proceedings. Accruing loans and leases past due 90 days or more totaled \$4.2 million at December 31, 2025, up from \$1.7 million at December 31, 2024. The increase was largely due to one multi-family loan of \$2.4 million that became 90 days past due during 2025 but remained accruing at December 31, 2025 due to an anticipated payoff. The loan was placed on nonaccrual status in early 2026 as a result of no payment being received by the bank.

When we acquire real estate as a result of foreclosure, the real estate is classified as foreclosed assets or Other Real Estate Owned. Foreclosed assets are recorded at the lower of carrying amount or fair value, less estimated costs to sell. Soon after acquisition, we order a new appraisal, or evaluation when acceptable, to determine the current market value of the property. Any excess of the recorded value of the loan over the market value of the property is charged against the allowance for credit losses, or, if the existing allowance is inadequate, charged to expense, in either case during the applicable period of such determination. After acquisition, all costs incurred in maintaining the property are expensed.

Foreclosed assets consist of property acquired through formal foreclosure, in-substance foreclosure or by deed in lieu of foreclosure, and are recorded at the lower of recorded investment or fair value less estimated costs to sell. Write-downs from recorded investment to fair value, which are required at the time of foreclosure, are charged to the allowance for credit losses on loans and leases. After transfer, adjustments to the carrying value of the properties that result from subsequent declines in value are charged to operations in the period in which the declines occur. We had \$56,000 in foreclosed assets at December 31, 2025.

The table below sets forth the amounts and categories of our non-performing assets at the dates indicated.

	At December 31,	
	2025	2024
	(Dollars in thousands)	
Nonaccrual loans and leases:		
Residential mortgage ⁽¹⁾	\$ 76	\$ 94
Commercial mortgage	7,436	—
Construction and development	4,900	4,900
Commercial and industrial	30	35
Leases	715	34
Total non-accruing loans and leases	13,157	5,063
Accruing loans and leases delinquent more than 90 days:		
Residential mortgage ⁽¹⁾	1,446	1,261
Home equity lines of credit	88	14
Multi-family	2,362	—
Consumer	46	99
Leases	299	340
Total accruing loans and leases delinquent more than 90 days	4,241	1,714
Total non-performing loans and leases	17,398	6,777
Foreclosed assets:		
Residential mortgage ⁽¹⁾	56	37
Total foreclosed assets	56	37
Total non-performing assets	\$ 17,454	\$ 6,814
Total non-performing loans to total loans	1.46 %	0.58 %
Total non-performing assets to total assets	1.14 %	0.45 %
Total non-performing assets and modified loans (accruing) to total assets	1.14 %	0.45 %

(1) Includes loans secured by first and second mortgages on residential properties.

Classified Assets. Our regulators require that we classify loans and other assets, such as debt and equity securities considered to be of lesser quality, as “substandard,” “doubtful” or “loss.” An asset is considered “substandard” if it is inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, if any. “Substandard” assets include those characterized by the “distinct possibility” that the insured institution will sustain “some loss” if the deficiencies are not corrected. Assets classified as “doubtful” have all of the weaknesses inherent in those classified “substandard,” with the added characteristic that the weaknesses present make “collection or liquidation in full,” on the basis of currently existing facts, conditions, and values, “highly questionable and improbable.” Assets classified as “loss” are those considered “uncollectible” and of such little value that their continuance as assets without the establishment of a specific loss reserve is not warranted.

When an insured institution classifies problem assets as either substandard or doubtful, it may establish general allowances for credit losses in an amount deemed prudent by management and approved by the board of directors. General allowances represent loss allowances that have been established to recognize the inherent risk associated with lending activities, but which, unlike specific allowances, have not been allocated to particular problem assets. When an insured institution classifies problem assets as “loss,” it is required either to establish a specific allowance for losses equal to 100% of that portion of the asset so classified or to charge off such amount. Our determination as to the classification of our assets and the amount of our valuation allowances is subject to review by our regulators, which may order the establishment of additional general or specific loss allowances.

In accordance with our loan policy, we regularly review the problem loans in our portfolio to determine whether any loans require classification in accordance with applicable regulations. Loans are listed on the “watch list” initially because of emerging financial weaknesses even though the loan is currently performing as agreed, or if the loan possesses weaknesses

although currently performing. If a loan deteriorates in asset quality, the classification is changed to “special mention,” “substandard,” “doubtful” or “loss” depending on the circumstances and the evaluation. Generally, loans 90 days or more past due are placed on nonaccrual status and classified “substandard.” Management reviews the status of each loan on our watch list on a quarterly basis.

On the basis of this review of our assets, our classified assets at the dates indicated were as follows:

	At December 31,	
	2025	2024
	(In thousands)	
Special mention	\$ 1,023	\$ 4,918
Substandard	23,775	13,832
Doubtful	715	34
Total classified assets	<u>\$ 25,513</u>	<u>\$ 18,784</u>

Allowance for Credit Losses

The allowance for credit losses is maintained at a level which, in management’s judgment, is adequate to absorb probable credit losses inherent in the loan and lease portfolio. This determination requires significant judgment to estimate credit losses on a collective pool basis where similar risk characteristics exist, as well as for loans evaluated individually. The amount of the allowance is based on management’s evaluation of the collectability of the loan and lease portfolio, including the nature of the portfolio, credit concentrations, historical loss experience, and current conditions and reasonable supportable forecasts for the Company’s outstanding loan and lease balances. Allowances are made on individually analyzed loans generally determined based on collateral values or the present value of estimated cash flows. Because of uncertainties associated with regional economic conditions, collateral values, and future cash flows on individually analyzed loans, it is reasonably possible that management’s estimate of probable credit losses inherent in the loan and lease portfolio and the related allowance may change materially in the near-term. The allowance is increased by a provision for credit losses, which is charged to expense and reduced by full and partial charge-offs, net of recoveries. Management’s periodic evaluation of the adequacy of the allowance is based on various factors, including, but not limited to, management’s ongoing review and grading of loans and leases, facts and issues related to specific loans and leases, historical loan and lease loss and delinquency experience, trends in past due and non-accrual loans and leases, existing risk characteristics of specific loans or loan pools, the fair value of underlying collateral, current economic conditions and other qualitative and quantitative factors which could affect potential credit losses.

As an integral part of their examination process, the IDFI and the FDIC will periodically review our allowance for credit losses, and as a result of such reviews, we may have to adjust our allowance for credit losses. However, regulatory agencies are not directly involved in the process for establishing the allowance for credit losses as the process is our responsibility and any increase or decrease in the allowance is the responsibility of management.

Allowance for Credit Losses. The following table sets forth an analysis of our allowance for credit losses at the dates and for the periods indicated. Average balances of residential loans include loans held for sale.

	At and For the	
	Years Ended December 31,	
	2025	2024
	(Dollars in thousands)	
Allowance for credit losses on loans and leases to total loans and leases outstanding	1.38 %	1.34 %
Allowance for credit losses on loans and leases	\$ 16,466	\$ 15,791
Total loans and leases outstanding	\$ 1,193,719	\$ 1,175,296
Nonaccrual loans and leases to total loans and leases outstanding	1.10 %	0.43 %
Nonaccrual loans and leases	\$ 13,157	\$ 5,063
Total loans and leases outstanding	\$ 1,193,719	\$ 1,175,296
Allowance for credit losses on loans and leases to nonaccrual loans and leases	125.15 %	311.89 %
Allowance for credit losses on loans and leases	\$ 16,466	\$ 15,791
Nonaccrual loans and leases	\$ 13,157	\$ 5,063
Net charge-offs/(recoveries) during the period to average loans and leases outstanding:		
Commercial mortgage	— %	— %
Net recoveries during the period	\$ (1)	\$ —
Average amount outstanding	\$ 412,943	\$ 373,547
Commercial and industrial	(0.02)%	(0.05)%
Net recoveries during the period	\$ (27)	\$ (64)
Average amount outstanding	\$ 136,962	\$ 123,365
Construction and development	— %	— %
Net charge-offs/(recoveries) during the period	\$ —	\$ —
Average amount outstanding	\$ 59,723	\$ 100,879
Multi-family	— %	— %
Net charge-offs/(recoveries) during the period	\$ —	\$ —
Average amount outstanding	\$ 220,002	\$ 189,847
Residential mortgage	(0.02)%	— %
Net recoveries during the period	\$ (29)	\$ (4)
Average amount outstanding	\$ 169,692	\$ 172,902
Home equity	— %	— %
Net charge-offs/(recoveries) during the period	\$ —	\$ —
Average amount outstanding	\$ 18,846	\$ 13,869
Leases	1.11 %	0.96 %
Net charge-offs during the period	\$ 1,611	\$ 1,428
Average amount outstanding	\$ 145,248	\$ 148,692
Consumer	0.75 %	0.64 %
Net charge-offs during the period	\$ 154	\$ 146
Average amount outstanding	\$ 20,480	\$ 22,872
Total loans and leases	0.14 %	0.13 %
Net charge-offs during the period	\$ 1,708	\$ 1,506
Average amount outstanding	\$ 1,183,896	\$ 1,145,973

As of January 1, 2023, the Bank adopted the accounting standard referred to as CECL. As a result of the change in methodology from the incurred loss method to the CECL method, on January 1, 2023 the Company recorded a one-time adjustment from equity into the allowance for credit losses on loans and leases in the amount of \$2.0 million, net of tax. This adjustment increased the allowance from \$12.4 million at December 31, 2022 to \$15.1 million at January 1, 2023. At December 31, 2025, the allowance for credit losses on loans and leases totaled \$16.5 million, or 1.38% of total loans and leases

outstanding, compared to \$15.8 million, or 1.34% of total loans and leases outstanding at December 31, 2024. This increase was driven by a \$17.9 million increase in our loan and lease portfolio. The growth in the balance of loans and leases primarily occurred in the commercial mortgage and multi-family categories, which is in line with management's strategy to expand these portfolios. See "Management's Discussion and Analysis of Financial Condition and Results of Operations-Financial Condition at December 31, 2025 Compared to December 31, 2024" contained in Part II, Item 7 of this Form 10-K for additional information regarding changes in our loans, leases, and related allowances.

Allocation of Allowance for Credit Losses. The following table sets forth the allowance for credit losses on loans and leases allocated by category, the total balances by category, and the percentage of loans and leases in each category to total loans and leases at the dates indicated. The allowance for credit losses allocated to each category is not necessarily indicative of future losses in any particular category and does not restrict the use of the allowance to absorb losses in other categories. At the dates indicated, we had no unallocated allowance for credit losses.

At December 31,				
2025			2024	
Amount	Percent of loans and leases in each category to total loans	Amount	Percent of loans and leases in each category to total loans	
(Dollars in thousands)				
Allocated at end of period to:				
Real estate loans:				
Residential mortgage	\$ 1,833 11.1 %	\$ 1,910 12.1 %		
Home equity lines of credit	189 1.1	184 1.2		
Multi-family	2,336 14.2	2,660 16.8		
Commercial mortgage	4,575 27.8	4,486 28.4		
Construction and development	2,298 14.0	2,243 14.2		
Total real estate loans	11,231 68.2	11,483 72.7		
Consumer loans	348 2.1	356 2.3		
Commercial business loans and leases:				
Commercial and industrial	1,812 11.0	1,483 9.4		
Leases	3,075 18.7	2,469 15.6		
Total commercial business loans and leases	4,887 29.7	3,952 25.0		
Total loans and leases	\$ 16,466 100.0 %	\$ 15,791 100.0 %		

Although we believe that we use the best information available to establish the allowance for credit losses, future adjustments to the allowance may be necessary and results of operations could be adversely affected if circumstances differ substantially from the assumptions used in making the determinations. Because future events affecting borrowers and collateral cannot be predicted with certainty, the existing allowance for credit losses may not be adequate and management may determine that increases in the allowance are necessary if the quality of any portion of our loan or lease portfolio deteriorates as a result. Any material increase in the allowance for credit losses may adversely affect our financial condition and results of operations.

For additional information regarding our allowance for credit losses, see "Note 5: Loans, Leases and Allowance" of the Notes to Consolidated Financial Statements contained in Item 8 of this Form 10-K.

Investment Activities

General. First Bank Richmond has the legal authority to invest in a variety of liquid assets, including U.S. Treasury obligations, securities of government-sponsored enterprises, municipal securities, deposits at the Federal Home Loan Bank of

Indianapolis, certificates of deposit of federally insured institutions, investment-grade corporate bonds, and investment-grade marketable equity securities. We also are required to maintain an investment in Federal Home Loan Bank of Indianapolis stock.

The objectives of our investment policy are to provide and maintain liquidity to meet deposit withdrawal and loan funding needs, mitigate interest rate and market risk, diversify assets, and maximize the rate of return on invested funds within the context of our interest rate and credit risk objectives. Various factors are considered when making decisions regarding our investment portfolio, including the marketability, maturity and tax consequences of the proposed investment. The maturity structure of investments will be affected by various market conditions, including the current and anticipated slope of the yield curve, the level of interest rates, the trend of new deposit inflows, and the anticipated demand for funds via deposit withdrawals and loan originations and purchases. Our investment securities are usually classified as available-for-sale; however, the purchasing officer has the option, at the time of purchase, to designate individual securities as held-to-maturity, available-for-sale, or trading.

In April 2020, First Bank Richmond established a wholly-owned subsidiary, FB Richmond Holdings, Inc. (“FB Richmond Holdings”), a Nevada corporation, to hold a majority of the investment portfolio and to optimize certain tax benefits. FB Richmond Holdings manages the portion of the investment portfolio transferred to it by the Bank, in accordance with an investment policy that substantially mirrors the Bank's policy. FB Richmond Holdings employs a third-party investment advisor, subject to oversight by its Board of Directors, which includes the President and Chief Executive Officer and the Chief Financial Officer of the Company. As of December 31, 2025, on a consolidated basis, we held \$251.9 million of available-for-sale securities at fair value, \$2.8 million of held-to-maturity securities at cost, and no trading securities. FB Richmond Holdings managed \$254.7 million of the total investment portfolio at that date.

We may from time to time invest in “special situation” investments in order to earn profits or to hedge against interest rate risk. These investments may include interest rate swaps and/or interest rate caps. These investments are handled on a case-by-case basis requiring the advice and counsel of the Asset/Liability Committee. The President and/or Chief Financial Officer can act on his own authority for investments under \$400,000. However, once this authority is utilized, it must be reauthorized at the next Asset/Liability Committee meeting. While we have the authority under applicable law to invest in derivative securities, we had no investments in derivative securities at December 31, 2025.

We held common stock of the FHLB of Indianapolis in connection with our borrowing activities totaling \$13.9 million at December 31, 2025. For the year ended December 31, 2025, First Bank Richmond received a total of \$1.2 million in dividends from the FHLB. Our required investment in the stock of the FHLB is based on a predetermined formula, carried at cost and evaluated for impairment. We may be required to purchase additional FHLB stock if we increase borrowings in the future.

Portfolio Maturities and Yields. The following table sets forth the weighted average yields of investment securities at various ranges of maturities, excluding Federal Reserve Bank and FHLB stock, at December 31, 2025. Weighted average yields on tax-exempt securities are presented on a tax-equivalent basis using a federal tax rate of approximately 21.0%. Certain mortgage-backed securities have adjustable interest rates and will reprice annually within the various maturity ranges. These repricing schedules are not reflected in the table below. Weighted average yield calculations on investment securities available for sale do not give effect to changes in fair value that are reflected as a component of equity.

At December 31, 2025

Weighted-Average Yield

	Due in 1 Year or Less	Due After 1 Through 5 Years	Due After 5 Through 10 Years	Due After 10 Years
Securities available for sale:				
U.S. government, SBA pools and federal agency	— %	1.43 %	2.23 %	2.26 %
State and municipal obligations	2.50	2.99	3.26	2.91
Government sponsored mortgage-backed securities	—	1.29	3.22	2.13
Corporate obligations	—	—	3.97	4.21
Other	—	—	—	—
Total securities available for sale	2.50	2.03	3.32	2.56
Securities held to maturity:				
State and municipal obligations	3.13	3.32	3.73	4.13
Other	—	—	—	—
Total securities held to maturity	3.13	3.32	3.73	4.13
Total investment securities	2.72 %	2.08 %	3.33 %	2.57 %

For additional information regarding our investment securities, see "Note 4: Investment Securities" of the Notes to Consolidated Financial Statements contained in Item 8 of this Form 10-K.

Sources of Funds

General. Deposits have traditionally been our primary source of funds for use in lending and investment activities. We also use borrowings, primarily FHLB advances, to supplement cash flow needs, lengthen the maturities of liabilities for interest rate risk purposes and to manage the cost of funds. In addition, we receive funds from scheduled loan payments, loan and mortgage-backed securities prepayments, maturities and calls of available-for-sale securities, retained earnings and income on earning assets. While scheduled loan payments and income on earning assets are relatively stable sources of funds, deposit inflows and outflows can vary widely and are influenced by prevailing interest rates, market conditions and levels of competition.

Deposits. We offer deposit accounts to consumers and businesses having a wide range of interest rates and terms. Our deposits consist of savings deposit accounts, money market accounts, NOW and demand accounts and certificates of deposit. We solicit deposits in our market areas as well as online through our website. We also participate in reciprocal deposit services for our customers through the Certificate of Deposit Account Registry Service ("CDARS") and Insured Cash Sweep ("ICS") networks. We primarily rely on competitive pricing policies, marketing and customer service to attract and retain these deposits. We also accept brokered deposits from deposit brokers. At December 31, 2025, our brokered deposits totaled \$235.9 million, or 21.1% of total deposits, with an average interest rate of 4.02% and a 10-month weighted-average maturity, compared to \$257.6 million, or 23.5% of total deposits, with an average interest rate of 4.25% and an 11-month weighted-average maturity at December 31, 2024. Our reliance on brokered deposits may increase our overall cost of funds.

At December 31, 2025, our core deposits, which are deposits other than certificates of deposit of \$250,000 or more and brokered deposits, totaled \$794.6 million, representing 71.3% of total deposits, compared to \$767.1 million, representing 70.1% of total deposits, at December 31, 2024.

Our largest banking office based on deposits is our main office in Richmond, Indiana, which had total deposits of \$545.2 million or 48.9% of our total deposits at December 31, 2025. Approximately 70.8% (\$789.8 million) of our total deposits were held in our Wayne County, Indiana offices as of December 31, 2025, with 88.2% (\$697.0 million) of those deposits held in our five Richmond, Indiana offices. Overall, \$838.3 million or 75.2% of our total deposits were held in Indiana branches and \$276.7 million or 24.8% were held in Ohio branches as of December 31, 2025.

The Federal Reserve has historically required all depository institutions to maintain noninterest-bearing reserves at specified levels against their transaction accounts, primarily checking, NOW and Super NOW checking accounts. In March 2020, the Federal Reserve reduced requirements to zero percent to support lending to households and businesses. Currently, the Federal Reserve has stated it has no plans to re-impose reserve requirements. However, the Federal Reserve may adjust reserve requirement ratios in the future if conditions warrant.

The following table sets forth our total deposit activities for the periods indicated.

	Years Ended December 31,	
	2025	2024
	(Dollars in thousands)	
Beginning balance	\$ 1,093,940	\$ 1,041,140
Net deposits	(10,295)	21,049
Interest credited	31,248	31,751
Ending balance	<u>\$ 1,114,893</u>	<u>\$ 1,093,940</u>
Net increase	<u>\$ 20,953</u>	<u>\$ 52,800</u>
Percent increase	<u>1.9 %</u>	<u>5.1 %</u>

The following table sets forth the distribution of total deposits by account type at the dates indicated.

	At December 31,			
	2025		2024	
	Amount	Percent of Total	Amount	Percent of Total
	(Dollars in thousands)			
Transaction and Savings Deposits:				
Demand deposits:				
Non-interest bearing	\$ 100,091	9.0 %	\$ 110,106	10.1 %
Interest bearing	143,863	12.9	135,310	12.4
Savings	114,501	10.3	112,499	10.3
Money market	204,836	18.4	188,812	17.3
Total non-certificates	563,291	50.5	546,727	50.0
Certificates:				
0.00 – 1.00%	4,730	0.4	31,319	2.9
1.01 – 2.00%	2,988	0.3	5,615	0.5
2.01 – 3.00%	4,189	0.4	7,418	0.7
3.01 – 4.00%	198,530	17.8	47,956	4.4
4.01 – 5.00%	330,895	29.7	342,139	31.3
Over 5.00%	10,270	0.9	112,766	10.3
Total certificates	551,602	49.5	547,213	50.0
Total deposits	\$ 1,114,893	100.0 %	\$ 1,093,940	100.0 %

The following table sets forth, at the dates indicated, the average amount of and the average rate paid on deposit categories that are in excess of 10 percent of average total deposits.

	At December 31,			
	2025		2024	
	Average Balance Outstanding	Weighted Average Rate	Average Balance Outstanding	Weighted Average Rate
	(Dollars in thousands)			
Demand deposits:				
Non-interest bearing	\$ 105,426	— %	\$ 105,356	— %
Interest bearing	141,154	1.0	141,902	0.9
Savings	113,136	0.9	116,183	0.8
Money market	199,136	2.8	169,763	3.1
Certificate accounts	543,714	4.0	557,216	4.4
Total deposits	\$ 1,102,566	2.7 %	\$ 1,090,420	2.9 %

The following table indicates the time deposit accounts classified by rate and maturity at December 31, 2025.

	0.00- 1.00%	1.01- 2.00%	2.01- 3.00%	3.01- 4.00%	4.01- 5.00%	Over 5.00%	Total	Percent of Total
(Dollars in thousands)								
Certificate accounts maturing in quarter ending:								
March 31, 2025	\$ 11	\$ 829	\$ 2,684	\$14,285	\$120,563	\$ 4,267	\$142,639	25.86 %
June 30, 2025	36	614	52	20,496	81,215	3,003	105,416	19.11
September 30, 2025	3,840	1,098	353	22,636	65,123	3,000	96,050	17.41
December 31, 2025	345	8	81	37,619	29,506	—	67,559	12.25
March 31, 2026	324	4	7	31,915	23,277	—	55,527	10.07
June 30, 2026	144	8	23	27,770	5,000	—	32,945	5.97
September 30, 2026	3	244	6	16,891	—	—	17,144	3.11
December 31, 2026	11	26	325	9,515	—	—	9,877	1.79
March 31, 2027	7	—	75	4,236	822	—	5,140	0.93
June 30, 2027	—	—	93	557	5,000	—	5,650	1.02
September 30, 2027	8	11	119	1,202	—	—	1,340	0.24
December 31, 2027	—	—	63	5,815	—	—	5,878	1.07
Thereafter	1	146	308	5,593	389	—	6,437	1.17
Total	<u>\$ 4,730</u>	<u>\$ 2,988</u>	<u>\$ 4,189</u>	<u>\$198,530</u>	<u>\$330,895</u>	<u>\$10,270</u>	<u>\$551,602</u>	<u>100.00 %</u>
Percent of total	<u>0.86 %</u>	<u>0.54 %</u>	<u>0.76 %</u>	<u>35.99 %</u>	<u>59.99 %</u>	<u>1.86 %</u>	<u>100.00 %</u>	

As of December 31, 2025, approximately \$268.2 million of our deposit portfolio, or 24.05% of total deposits, excluding collateralized public deposits, was uninsured. The uninsured amounts are estimated based on the methodologies and assumptions used for First Bank Richmond's regulatory reporting requirements. The following table sets forth the portion of our time deposits that are in excess of the FDIC insurance limit, by remaining time until maturity, as of December 31, 2025 (dollars in thousands).

3 months or less	\$ 24,601
Over 3 through 6 months	11,267
Over 6 through 12 months	26,018
Over 12 months	20,760
	<u>\$ 82,646</u>

For additional information regarding our deposits, see "Note 11: Deposits" of the Notes to Consolidated Financial Statements contained in Item 8 of this Form 10-K.

Borrowed Funds. We utilize borrowings as a source of funds, especially when they are less costly than deposits and can be invested at a positive interest rate spread, when we desire additional capacity to fund loan demand or when they meet our asset/liability management goals. Our borrowings historically have consisted of advances from the FHLB of Indianapolis. We may obtain advances from the FHLB of Indianapolis upon the security of the capital stock we own in the FHLB and certain of our mortgage loans and investment securities. Such advances may be made pursuant to several different credit programs, each of which has its own interest rate and range of maturities. To the extent such borrowings have different terms to repricing than our deposits, they can change our interest rate risk profile. At December 31, 2025, we had \$240 million in FHLB advances outstanding. Based on current collateral levels, at December 31, 2025 we could borrow an additional \$129.2 million from the FHLB of Indianapolis at prevailing interest rates.

We also have an available line of credit with the FHLB of Indianapolis totaling \$10.0 million.

The following table presents the maturity and weighted average rates of our FHLB advances as of December 31, 2025.

Maturity by Fiscal Year	FHLB Advances	Weighted Average Rate
2026	\$ 136,000	3.91 %
2027	48,000	4.21 %
2028	29,000	4.10 %
2029	7,000	4.14 %
2030	20,000	3.38 %
Thereafter	—	— %
	<u>\$ 240,000</u>	<u>3.96 %</u>

At December 31, 2025, other borrowings totaled \$12.0 million and consisted entirely of federal funds purchased. The weighted average interest rate on these borrowings was 3.75% at December 31, 2025.

Trust and Financial Services

We provide a variety of fee-based financial services, including trust and estate administration, investment management services, retirement plan administration and private banking services, in our market areas. Trust services are provided to both individual and corporate customers, including personal trust and agency accounts, and employee benefit plans. We also manage private investment accounts for individuals and institutions. Total wealth management assets under management and administration were \$246.3 million at December 31, 2025. These activities provide an additional source of fee income to First Bank Richmond and in 2025 constituted 27.3% of our total non-interest income.

Subsidiary and Other Activities

At December 31, 2025, Richmond Mutual Bancorporation had two subsidiaries, First Bank Richmond and First Insurance Management, Inc. First Bank Richmond is our wholly owned banking subsidiary. First Insurance Management, Inc. was formed in 2022 as a pooled captive insurance company subsidiary of the Company, incorporated in the State of Nevada, for the purpose of providing additional insurance coverage for the Company and its subsidiaries related to the operations of the Company for which insurance may not be economically feasible. As of December 31, 2025, First Insurance Management provided us with various liability and property damage policies for the Company and its related subsidiaries. First Insurance Management is regulated by the State of Nevada Division of Insurance.

At December 31, 2025, First Bank Richmond had an active investment subsidiary, FB Richmond Holdings, which is a Nevada corporation that holds substantially all of First Bank Richmond's investment portfolio. As of December 31, 2025, the market value of securities managed was \$254.7 million. FB Richmond Holdings has one active subsidiary, FB Richmond Properties, Inc., which is a Delaware corporation holding approximately \$102.6 million in loans.

Competition

We face significant competition within our market both in making loans and leases and attracting deposits. Our market area has a high concentration of financial institutions, including large money center and regional banks, community banks and credit unions. Our competition for loans and deposits comes principally from commercial banks, savings institutions, mortgage banking firms, equipment financing companies, consumer finance companies and credit unions. We face additional competition for deposits from short-term money market funds, brokerage firms, mutual funds and insurance companies. We also compete with financial technology (FinTech) companies. Recent technological advances and other changes have allowed parties to affect financial transactions that previously required the involvement of banks. For example, consumers can maintain funds in brokerage accounts or mutual funds that would have historically been held as bank deposits. Consumers can also complete transactions such as paying bills and transferring funds directly without the assistance of banks. We expect competition from these institutions to remain strong, including from online banks and FinTech companies that leverage technology to deliver financial services.

Based on the most recent data provided by the FDIC, there are approximately 10 and 36 other commercial banks and savings banks operating in our Indiana and Ohio market areas, respectively. Additionally, there are approximately 10 and 18 credit unions operating in these same respective market areas. As of June 30, 2025 (the most recent branch deposit data provided by the FDIC), First Bank Richmond's share of bank deposits in Wayne and Shelby Counties, in Indiana, was approximately 25.9% and 2.0%, respectively, and in Shelby and Miami Counties, in Ohio, was approximately 12.3% and 4.2%, respectively.

How We Are Regulated

General. First Bank Richmond is an Indiana-chartered commercial bank. Its deposits are insured up to applicable limits by the Federal Deposit Insurance Corporation. First Bank Richmond is subject to extensive regulation by the IDFI, as its chartering agency, and by the Federal Deposit Insurance Corporation, as its deposit insurer and primary federal regulator. First Bank Richmond is required to file reports with, and is periodically examined by, the Federal Deposit Insurance Corporation and the IDFI concerning its activities and financial condition and must obtain regulatory approvals before completing certain transactions, including, but not limited to, mergers with or acquisitions of other financial institutions. In addition, First Bank Richmond is a member of and owns stock in the FHLB of Indianapolis, which is one of the 11 regional banks in the Federal Home Loan Bank System.

As a bank holding company, Richmond Mutual Bancorporation is subject to examination and supervision by the Federal Reserve Board. Richmond Mutual Bancorporation is also subject to the rules and regulations of the Securities and Exchange Commission under the federal securities laws.

Set forth below is a description of certain laws and regulations that are applicable to First Bank Richmond and Richmond Mutual Bancorporation. This description of statutes and regulations is not intended to be a complete description of such statutes and regulations and their effects on First Bank Richmond and Richmond Mutual Bancorporation. Any change in these laws or regulations, whether by Congress or the applicable regulatory agencies, could have a material adverse impact on Richmond Mutual Bancorporation, First Bank Richmond and their operations.

Indiana Banking Regulation. First Bank Richmond, as an Indiana commercial bank, is regulated and supervised by the Indiana Department of Financial Institutions, or the IDFI. The IDFI is required to regularly examine each state-chartered bank. The approval of the IDFI is required to establish or close branches, to merge with another bank, to issue stock and to undertake many other activities. Any Indiana bank that does not operate according to the regulations, policies and directives of the IDFI may be sanctioned.

The powers that Indiana-chartered banks can exercise under these laws include, but are not limited to, the following:

Lending Activities. An Indiana-chartered commercial bank may make a wide variety of mortgage loans including fixed-rate loans, adjustable-rate loans, variable-rate loans, participation loans, graduated payment loans, construction and development loans, condominium and co-operative loans, second mortgage loans and other types of loans that may be made according to applicable regulations. Commercial loans may be made to corporations and other commercial enterprises with or without security. Consumer and personal loans may also be made with or without security.

Investment Activities. In general, First Bank Richmond may invest in certain types of debt securities, certain types of corporate equity securities, and certain other assets. However, these investment authorities are constrained by federal law. See “- Federal Banking Regulation — Investment Activities” for such federal restrictions.

Loans to One Borrower Limitations. Under Indiana law, First Bank Richmond's total loans or extensions of credit to a single borrower or group of related borrowers cannot exceed, with specified exceptions, 15% of its capital stock, surplus fund and undivided profits. First Bank Richmond may lend additional amounts up to 10% if the loans or extensions of credit are fully secured by readily-marketable collateral. At December 31, 2025, First Bank Richmond complied with these loans-to-one-borrower limitations. At December 31, 2025, First Bank Richmond's largest aggregate amount of loans to one borrower was \$23.5 million.

Dividends. Under Indiana law, First Bank Richmond is permitted to declare and pay dividends out of its undivided profits. The prior approval of the IDFI is required if the total of all dividends declared in a calendar year would exceed the total of its net income for that year combined with its retained net income for the preceding two years. See “- Federal Banking Regulation — Capital Requirements” and “- Holding Company Regulation” for restrictions on dividends under federal law.

Assessments. As an Indiana state-chartered commercial bank, First Bank Richmond is required to pay to the IDFI a general assessment fee in connection with the regulation and supervision of First Bank Richmond. The Federal Deposit Insurance Corporation, as discussed below, charges all insured depository institutions deposit insurance assessments.

Regulatory Enforcement Authority. Any Indiana bank that does not operate according to the regulations, policies and directives of the IDFI may be subject to sanctions for non-compliance, including seizure of the property and business of the bank and suspension or revocation of its charter. The IDFI may, under certain circumstances, suspend or remove officers or directors who have violated the law, conducted the bank's business in a manner which is unsafe, unsound or contrary to the depositors' interests or been negligent in the performance of their duties. In addition, upon finding that a bank has engaged in an unfair or deceptive act or practice, the IDFI may issue an order to cease and desist and impose a fine on the bank. Indiana consumer protection and civil rights statutes applicable to First Bank Richmond permit private individual and class action lawsuits and provide for the rescission of consumer transactions, including loans, and the recovery of statutory and punitive damages and attorney's fees in the case of certain violations of those statutes.

Federal Banking Regulation

Capital Requirements. Federal regulations require FDIC-insured depository institutions, including state-chartered banks, to meet several minimum capital standards: a common equity Tier 1 capital to risk-based assets ratio, a Tier 1 capital to risk-based assets ratio, a total capital to risk-based assets and a Tier 1 capital to total assets leverage ratio.

The capital standards require the maintenance of common equity Tier 1 capital, Tier 1 capital and total capital to risk-weighted assets of at least 4.5%, 6% and 8%, respectively. The regulations also establish a minimum required leverage ratio of at least 4% of Tier 1 capital. In addition to establishing the minimum regulatory capital requirements, the regulations limit capital distributions and certain discretionary bonus payments to management if the institution does not hold a "capital conservation buffer" consisting of common equity Tier 1 capital to risk-weighted assets more than 2.5% above the amount necessary to meet its minimum risk-based capital requirements.

At December 31, 2025, First Bank Richmond's capital exceeded all applicable requirements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations-Capital Resources" contained in Part II, Item 7 and "Note 19: Regulatory Capital" in the Notes to Consolidated Financial Statements contained in Part II, Item 8 of this Form 10-K.

The Financial Accounting Standards Board adopted a new accounting standard for US GAAP that was effective for us beginning in 2023. This standard, referred to as Current Expected Credit Loss, or CECL, requires FDIC-insured institutions and their holding companies (banking organizations) to recognize credit losses expected over the life of certain financial assets. CECL covers a broader range of assets than the former method of recognizing credit losses and generally results in earlier recognition of credit losses. Upon adoption of CECL, a banking organization must record a one-time adjustment to its credit loss allowances as of the beginning of the fiscal year of adoption equal to the difference, if any, between the amount of credit loss allowances under the former methodology and the amount required under CECL. For a banking organization, implementation of CECL generally reduces retained earnings and affects other items in a manner that decreases regulatory capital. The federal banking regulators, including the Federal Reserve Board and the FDIC, have adopted a rule that gives a banking organization the option to phase in over a three-year period the day-one adverse effects of CECL on its regulatory capital. Management did not elect the option to phase in the day-one adverse effects of CECL over a three-year period, and instead, elected to record the full effects of the adoption of CECL in 2023.

The Bank adopted CECL as required on January 1, 2023. For additional information, see "Allowance for Credit Losses" under "Note 1: Nature of Operations and Summary of Significant Accounting Policies" in the Notes to Consolidated Financial Statements contained in Part II, Item 8 of this Form 10-K.

Under the federal prompt corrective action rules, the Federal Deposit Insurance Corporation is required to take supervisory actions against undercapitalized institutions under its jurisdiction, the severity of which depends upon the institution's level of capital. An institution that has a total risk-based capital ratio of 10% or more, a Tier 1 risk-based ratio of 8.0% or more, a common equity Tier 1 ratio of 6.5% or more and a leverage ratio of 5.0% or more is considered "well capitalized," provided that it is not subject to an agreement, order or directive issued by the Federal Deposit Insurance Corporation requiring it to meet and maintain a specific capital level. Institutions that are not well capitalized are subject to certain restrictions on brokered deposits and interest rates on deposits. At December 31, 2025, First Bank Richmond met the criteria to be considered "well capitalized."

Standards for Safety and Soundness. Federal law requires each federal banking agency to prescribe certain standards for all insured depository institutions. These standards relate to, among other things, internal controls, information systems and audit systems, loan documentation, credit underwriting, interest rate risk exposure, asset growth, compensation and other operational and managerial standards as the agency deems appropriate. Interagency guidelines set forth the safety and soundness standards that the federal banking agencies use to identify and address problems at insured depository institutions before capital becomes impaired. If the appropriate federal banking agency determines that an institution fails to meet any standard prescribed by the guidelines, the agency may require the institution to submit to the agency an acceptable plan to achieve compliance with the standard. Failure to implement such a plan can result in further enforcement action, including the issuance of a cease-and-desist order or the imposition of civil money penalties.

Commercial Real Estate Lending Concentrations. The federal banking agencies have issued guidance on sound risk management practices for concentrations in commercial real estate lending. The particular focus is on exposure to commercial real estate loans that are dependent on the cash flow from the real estate held as collateral and that are likely to be sensitive to conditions in the commercial real estate market (as opposed to real estate collateral held as a secondary source of repayment or as an abundance of caution). The purpose of the guidance is not to limit a bank's commercial real estate lending but to guide banks in developing risk management practices and capital levels commensurate with the level and nature of real estate concentrations. The guidance directs the FDIC and other bank regulatory agencies to focus their supervisory resources on institutions that may have significant commercial real estate loan concentration risk. A bank that has experienced rapid growth in commercial real estate lending, has notable exposure to a specific type of commercial real estate loan, or is approaching or exceeding the following supervisory criteria may be identified for further supervisory analysis with respect to real estate concentration risk:

- a. Total reported loans for construction, land development and other land represent 100% or more of the bank's total regulatory capital; or
- b. Total commercial real estate loans (as defined in the guidance) represent 300% or more of the bank's total regulatory capital and the outstanding balance of the bank's commercial real estate loan portfolio has increased 50% or more during the prior 36 months.

The guidance provides that the strength of an institution's lending and risk management practices with respect to such concentrations will be taken into account in supervisory guidance on evaluation of capital adequacy. As of December 31, 2025, the Bank's aggregate recorded loan balances for construction, land development and land loans were 38.4% of total regulatory capital. In addition, at December 31, 2025, the Bank's loans secured by commercial real estate (as defined in the guidance) represented 297.0% of total regulatory capital.

Investment Activities. All state-chartered Federal Deposit Insurance Corporation-insured banks, including commercial banks, are generally limited in their investment activities to principal and equity investments of the type and in the amount authorized for national banks, notwithstanding state law, subject to certain exceptions.

In addition, the Federal Deposit Insurance Corporation is authorized to permit such a state bank to engage in state-authorized activities or investments not permissible for national banks (other than non-subsidiary equity investments) if it meets all applicable capital requirements and it is determined that such activities or investments do not pose a significant risk to the Deposit Insurance Fund.

Interstate Banking and Branching. Federal law permits well capitalized and well managed bank holding companies to acquire banks in any state, subject to Federal Reserve Board approval, certain concentration limits and other specified conditions. Interstate mergers of banks are also authorized, subject to regulatory approval and other specified conditions. In addition, banks may establish de novo branches on an interstate basis provided that the branch location is permissible under the law of the host state for banks chartered by that state.

Transaction with Affiliates and Regulation W of the Federal Reserve Regulations. Transactions between banks and their affiliates are governed by federal law. An affiliate of a bank is any company or entity that controls, is controlled by or is under common control with the bank. In a holding company context, the parent bank holding company and any companies which are controlled by such parent holding company are affiliates of the bank (although subsidiaries of the bank itself, except financial subsidiaries, are generally not considered affiliates). Generally, Section 23A of the Federal Reserve Act and the Federal Reserve Board's Regulation W limit the extent to which the bank or its subsidiaries may engage in "covered transactions" with any one affiliate to an amount equal to 10.0% of such institution's capital stock and surplus, and with all such transactions with all affiliates to an amount equal to 20.0% of such institution's capital stock and surplus. Section 23B applies to "covered transactions" as well as to certain other transactions and requires that all such transactions be on terms

substantially the same, or at least as favorable, to the institution or subsidiary as those provided to a non-affiliate. The term “covered transaction” includes the making of loans to, purchase of assets from, and issuance of a guarantee to an affiliate, and other similar transactions. Section 23B transactions also include the provision of services and the sale of assets by a bank to an affiliate. In addition, loans or other extensions of credit by the financial institution to the affiliate are required to be collateralized according to the requirements set forth in Section 23A of the Federal Reserve Act.

Sections 22(h) and (g) of the Federal Reserve Act place restrictions on loans to a bank’s insiders, i.e., executive officers, directors and principal shareholders. Section 22(h) of the Federal Reserve Act requires that loans to directors, executive officers and principal shareholders be made on terms substantially the same as offered in comparable transactions to other persons and also requires prior board approval for certain loans. In addition, the aggregate amount of extensions of credit by a financial institution to insiders cannot exceed the institution’s unimpaired capital and surplus. Section 22(g) of the Federal Reserve Act places additional restrictions on loans to executive officers.

Enforcement. The Federal Deposit Insurance Corporation has extensive enforcement authority over insured state-chartered banks that are not members of the Federal Reserve System (referred to as non-member banks), including First Bank Richmond. The enforcement authority includes, among other things, the ability to assess civil money penalties, issue cease and desist orders and remove directors and officers. In general, these enforcement actions may be initiated in response to violations of laws and regulations, breaches of fiduciary duty and unsafe or unsound practices. The Federal Deposit Insurance Corporation is required, with certain exceptions, to appoint a receiver or conservator for an insured state non-member bank if that bank was “critically undercapitalized” on average during the calendar quarter beginning 270 days after the date on which the institution became “critically undercapitalized.” It may also appoint itself as conservator or receiver for an insured state non-member bank under specified circumstances, including, among others: (1) insolvency; (2) substantial dissipation of assets or earnings through violations of law or unsafe or unsound practices; (3) existence of an unsafe or unsound condition to transact business; (4) insufficient capital; or (5) the incurrence of losses that will deplete substantially all of the institution’s capital with no reasonable prospect of replenishment without federal assistance.

Insurance of Deposit Accounts. First Bank Richmond is a member of the Deposit Insurance Fund, which is administered by the Federal Deposit Insurance Corporation. Deposit accounts in First Bank Richmond are insured up to a maximum of \$250,000 for each separately insured depositor.

The FDIC assesses deposit insurance premiums on all FDIC-insured institutions quarterly based on annualized rates. Under these rules, assessment rates for an institution with total assets of less than \$10 billion are determined by weighted average CAMELS composite ratings and certain financial ratios, and range from 5 to 32 basis points, subject to certain adjustments.

For the fiscal year ended December 31, 2025, First Bank Richmond paid \$1.2 million in FDIC premiums. Assessment rates are applied to an institution's assessment base, which is its average consolidated total assets minus its average tangible equity during the assessment period.

The FDIC has authority to increase insurance assessments, and in a banking industry emergency the FDIC may also impose a special assessment. Any significant increases in insurance assessment may have an adverse effect on the operating expenses and results of operations of Richmond Mutual Bancorporation and First Bank Richmond. Management cannot predict what assessment rates will be in the future.

Insurance of deposits may be terminated by the FDIC upon a finding that an institution has engaged in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations or has violated any applicable law, regulation, rule, order or condition imposed by the FDIC. We do not currently know of any practice, condition, or violation that may lead to termination of First Bank Richmond’s deposit insurance.

Community Reinvestment Act. Under the Community Reinvestment Act, or CRA, as implemented by the Federal Deposit Insurance Corporation, a state non-member bank, such as First Bank Richmond, has a continuing and affirmative obligation, consistent with its safe and sound operation, to help meet the credit needs of its entire community, including low- and moderate-income neighborhoods. The CRA requires the Federal Deposit Insurance Corporation to provide a written evaluation of an institution’s CRA performance utilizing a four-tiered descriptive rating system. First Bank Richmond’s latest Federal Deposit Insurance Corporation CRA rating was “Satisfactory.”

On October 24, 2023, the federal banking agencies, including the FDIC, issued a final rule intended to strengthen and modernize regulations implementing the CRA. The rule was designed to encourage banks to expand access to credit, investments, and banking services in low- and moderate-income communities, accommodate changes in the banking

industry including mobile and internet banking, provide greater clarity and consistency in the application of CRA regulations, and tailor CRA evaluations and data collection based on bank size and type. The final rule was published with an effective date of April 1, 2024, and included staggered compliance deadlines; however, implementation was stayed by a preliminary injunction. In 2025, the federal banking agencies issued a Joint Notice of Proposed Rulemaking to rescind the 2023 final rule and reinstate the prior CRA regulations. As a result, the Bank continues to be evaluated under the pre-2023 CRA regulatory framework.

Consumer Protection and Fair Lending Regulations. Indiana chartered banks are subject to a variety of federal and Indiana statutes and regulations that are intended to protect consumers and prohibit discrimination in the granting of credit. These statutes and regulations provide for a range of sanctions for non-compliance with their terms, including imposition of administrative fines and remedial orders, and referral to the Attorney General for prosecution of a civil action for actual and punitive damages and injunctive relief. Certain of these statutes, including Section 5 of the Federal Trade Commission Act, which prohibits unfair and deceptive acts and practices against consumers, authorize private individual and class action lawsuits and the award of actual, statutory and punitive damages and attorneys' fees for certain types of violations. The Dodd-Frank Act prohibits unfair, deceptive or abusive acts or practices against consumers, which can be enforced by the Consumer Financial Protection Bureau, the Federal Deposit Insurance Corporation and state Attorneys General. However, in early 2025, CFPB leadership significantly scaled back the agency's rulemaking, enforcement and supervisory activities, including pausing major enforcement actions, rescinding guidance, and narrowing priorities which has significantly reduced active oversight of financial institutions. Although statutory consumer protection requirements remain in force, the agency's diminished operations have created regulatory uncertainty with respect to the supervision and enforcement of the existing consumer financial protection laws.

Bank Secrecy Act/Anti Money Laundering Law. First Bank Richmond is subject to the Bank Secrecy Act and other anti-money laundering laws and regulations including the USA PATRIOT Act, which gives federal agencies additional powers to address terrorist threats through enhanced domestic security measures, expanded surveillance powers, increased information sharing, and broadened anti-money laundering requirements. The USA PATRIOT Act includes measures intended to encourage information sharing among bank regulatory agencies and law enforcement bodies, and imposes affirmative obligations on a broad range of financial institutions, including banks, thrifts, brokers, dealers, credit unions, money transfer agents, and parties registered under the Commodity Exchange Act.

Privacy Standards and Cyber Security. First Bank Richmond is subject to FDIC regulations implementing the privacy protection provisions of the Gramm-Leach-Bliley Financial Services Modernization Act of 1999. These regulations require First Bank Richmond to disclose its privacy policy, including informing consumers of its information sharing practices and informing consumers of their rights to opt out of certain practices. In addition, the federal banking agencies recently adopted rules providing for new notification requirements for banking organizations and their service providers for significant cybersecurity incidents. Specifically, the new rules require a banking organization to notify its primary federal regulator as soon as possible, and no later than 36 hours after, the banking organization determines that a "computer-security incident" rising to the level of a "notification incident" has occurred. Notification is required for incidents that have materially affected or are reasonably likely to materially affect the viability of a banking organization's operations, its ability to deliver banking products and services, or the stability of the financial sector. Service providers are required under the rule to notify affected banking organization customers as soon as possible when the provider determines that it has experienced a computer-security incident that has materially affected or is reasonably likely to materially affect the banking organization's customers for four or more hours.

In July 2023, the SEC adopted rules requiring registrants to disclose material cybersecurity incidents they experience and to disclose on an annual basis material information regarding their cybersecurity risk management, strategy, and governance. The new rules require registrants to disclose on Form 8-K any cybersecurity incident they determine to be material and to describe the material aspects of the incident's nature, scope, and timing, as well as its material impact or reasonably likely material impact on the registrant. For information regarding the Company's cybersecurity risk management, strategy and governance, see "Item 1C. Cybersecurity" contained in Part I of this Form 10-K.

Other Regulations. Interest and other charges collected or contracted for by First Bank Richmond are subject to state usury laws and federal laws concerning interest rates. First Bank Richmond's operations are also subject to state and federal laws applicable to credit and other transactions, such as the:

- Truth in Lending Act, which requires lenders to disclose the terms and conditions of consumer credit;

- Real Estate Settlement Procedures Act, which requires lenders to disclose the nature and costs of the real estate settlement process and prohibits specific practices, such as kickbacks, and places limitations upon the use of escrow accounts;
- Home Mortgage Disclosure Act, requiring financial institutions to provide information to enable the public and public officials to determine whether a financial institution is fulfilling its obligation to help meet the housing needs of the community it serves;
- Equal Credit Opportunity Act, prohibiting discrimination on the basis of race, creed or other prohibited factors in extending credit;
- Fair Credit Reporting Act, governing the use and provision of information to credit reporting agencies; and
- Rules and regulations of the various federal and state agencies charged with the responsibility of implementing such federal and state laws.

The deposit operations of First Bank Richmond also are subject to, among others, the:

- Truth in Savings Act, which requires financial institutions to disclose the terms and conditions of their deposit accounts;
- Expedited Funds Availability Act, which requires banks to make funds deposited in transaction accounts available to their customers within specified time frames;
- Check Clearing for the 21st Century Act (also known as “Check 21”), which gives “substitute checks,” such as digital check images and copies made from that image, the same legal standing as the original paper check;
- Electronic Funds Transfer Act and Regulation E promulgated thereunder, which govern automatic deposits to and withdrawals from deposit accounts and customers’ rights and liabilities arising from the use of automated teller machines and other electronic banking services; and
- Indiana banking laws and regulations governing deposit powers and other matters.

Federal Home Loan Bank System. First Bank Richmond is a member of the FHLB of Indianapolis, one of the 11 regional FHLBs which provide a central credit facility primarily for member institutions. Member institutions are required to acquire and hold shares of capital stock in the FHLB. This stock has no quoted market value and is carried at cost. First Bank Richmond reviews the cost basis of the FHLB stock for ultimate recoverability regularly. At December 31, 2025, no impairment of the value of the stock has been recognized. As of December 31, 2025, the Bank had \$240.0 million of FHLB advances and \$10.0 million available on its line of credit with the FHLB.

Federal Reserve System. The Federal Reserve requires depository institutions to maintain reserves at specified levels against their transaction accounts, primarily checking accounts. As of December 31, 2025, the reserve requirement ratio was zero percent.

The Bank is authorized to borrow from the Federal Reserve Bank "discount window." An eligible institution need not exhaust other sources of funds before going to the discount window, nor are there restrictions on the purposes for which the institution can use primary credit. At December 31, 2025, the Bank had no outstanding borrowings from the discount window.

Acquisitions. An acquisition of Richmond Mutual Bancorporation or First Bank Richmond, an acquisition of control of either, or an acquisition by either of another bank holding company or depository institution or control of such a company or institution would generally be subject to prior approval by applicable federal and state banking regulators, as would certain acquisitions by Richmond Mutual Bancorporation or First Bank Richmond of other types of entities. "Control" is defined in various ways for this purpose, including but not limited to control of 10% of outstanding voting stock of an entity. See “– Holding Company Regulation” below.

Holding Company Regulation. Richmond Mutual Bancorporation is a bank holding company within the meaning of the Bank Holding Company Act of 1956, as amended. As such, Richmond Mutual Bancorporation is registered with the Federal Reserve Board and is subject to regulations, examinations, supervision and reporting requirements applicable to bank holding

companies. In addition, the Federal Reserve Board has enforcement authority over Richmond Mutual Bancorporation and its non-bank subsidiaries. Among other things, this authority permits the Federal Reserve Board to restrict or prohibit activities that are determined to be a serious risk to the subsidiary bank.

A bank holding company is generally prohibited from engaging in non-banking activities, or acquiring direct or indirect control of more than 5% of the voting securities of any company engaged in non-banking activities.

The Federal Reserve Board is required to establish for all bank and savings and loan holding companies, minimum consolidated capital requirements that are as stringent as those required for the insured depository subsidiaries. Consolidated regulatory capital requirements identical to those applicable to the subsidiary banks apply to bank holding companies with less than \$3.0 billion of consolidated assets.

A bank holding company is generally required to give the Federal Reserve Board prior written notice of any purchase or redemption of then outstanding equity securities if the gross consideration for the purchase or redemption, when combined with the net consideration paid for all such purchases or redemptions during the preceding 12 months, is equal to 10% or more of the company's consolidated net worth. The Federal Reserve Board may disapprove such a purchase or redemption if it determines that the proposal would constitute an unsafe and unsound practice, or would violate any law, regulation, Federal Reserve Board order or directive, or any condition imposed by, or written agreement with, the Federal Reserve Board. There is an exception to this approval requirement for well-capitalized bank holding companies that meet certain other conditions.

The Federal Reserve Board has issued a policy statement regarding capital distributions, including dividends, by bank holding companies. In general, the policies provide that dividends should be paid only out of current earnings and only if the prospective rate of earnings retention by the bank holding company appears consistent with the organization's capital needs, asset quality and overall financial condition. The policies also require that a bank holding company serve as a source of financial strength to its subsidiary banks (referred to as the source of strength doctrine) by standing ready to use available resources to provide adequate capital funds to those banks during periods of financial stress or adversity and by maintaining the financial flexibility and capital-raising capacity to obtain additional resources for assisting its subsidiary banks where necessary. However, the ability of a bank holding company to pay dividends may be restricted if a subsidiary bank becomes undercapitalized. These regulatory policies could affect the ability of Richmond Mutual Bancorporation to pay dividends or otherwise engage in capital distributions.

Under the Federal Deposit Insurance Act, depository institutions are liable to the Federal Deposit Insurance Corporation for losses suffered or anticipated by the Federal Deposit Insurance Corporation in connection with the default of a commonly controlled depository institution or any assistance provided by the Federal Deposit Insurance Corporation to such an institution in danger of default.

Federal Securities Laws. Richmond Mutual Bancorporation's common stock is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934. Richmond Mutual Bancorporation is subject to the information, proxy solicitation, insider trading restrictions and other requirements under the Securities Exchange Act of 1934.

Taxation

The following discussion of federal and state taxation is intended only to summarize material income tax matters and is not a comprehensive description of the tax rules applicable to Richmond Mutual Bancorporation and First Bank Richmond and their respective subsidiaries.

Federal Taxation. Richmond Mutual Bancorporation and First Bank Richmond are subject to federal income taxation in the same general manner as other corporations, with some exceptions discussed below. Our federal and state tax returns have not been audited for the past five years.

Method of Accounting. For federal income tax purposes, we currently report our income and expenses on the accrual method of accounting and use a tax year ending December 31 for filing its federal income tax returns. Richmond Mutual Bancorporation and First Bank Richmond with their respective subsidiaries will file a consolidated federal income tax return. FB Richmond Properties, Inc. files a separate federal income tax return.

Capital Loss Carryovers. A corporation may not recognize capital losses in excess of capital gains. Generally, a financial institution may carry back capital losses to the preceding three taxable years and forward to the succeeding five taxable years. Any capital loss carryback or carryforward is treated as a short-term capital loss for the year to which it is carried. Accordingly, it is combined with other capital losses in that year and used to offset any capital gains. Any

capital loss remaining after the five-year carryforward period is not deductible. At December 31, 2025, we had total capital loss carryforwards of \$203,000, of which the earliest amount (\$47,000) will expire on December 31, 2029.

Corporate Dividends. Richmond Mutual Bancorporation may generally exclude from its income 100% of dividends received from First Bank Richmond and their respective subsidiaries as members of the same affiliated group of corporations.

State Taxation. First Bank Richmond is subject to Indiana's financial institutions tax, which is imposed at a flat rate as of December 31, 2025, of 4.9% on "adjusted gross income" apportioned to Indiana. "Adjusted gross income," for purposes of the financial institutions tax, begins with taxable income as defined by Section 63 of the Internal Revenue Code and incorporates federal tax law to the extent that it affects the computation of taxable income. Federal taxable income is then adjusted by several Indiana modifications including only considering members of the combined group which have Indiana nexus. First Bank Richmond is not currently under audit with respect to its Indiana tax returns.

First Bank Richmond is also subject to Ohio taxation in the same general manner as other financial institutions. In particular, Richmond Mutual Bancorporation and First Bank Richmond will be subject to the Ohio corporation franchise tax, which is an excise tax imposed on corporations for the privilege of doing business in Ohio, owning capital or property in Ohio, holding a charter or certificate of compliance authorizing the corporation to do business in Ohio, or otherwise having nexus with Ohio during a calendar year. For Ohio franchise tax purposes, financial institutions are currently taxed at a rate equal to 0.8% of apportioned net capital.

First Bank Richmond also files income tax returns in a number of states where nexus has been established.

Other applicable state taxes include generally applicable sales and use taxes plus real and personal property taxes.

As a Maryland business corporation, Richmond Mutual Bancorporation is required to file an annual report with and pay franchise taxes to the State of Maryland.

Employees and Human Capital

As of December 31, 2025, we had 180 full-time equivalent employees. Our employees are not represented by any collective bargaining group. Management believes that we have a good working relationship with our employees.

To facilitate talent attraction and retention, we strive to make First Bank Richmond an inclusive, safe and healthy workplace, with opportunities for our employees to grow and develop in their careers, supported by strong compensation, benefits, health and welfare programs. As of December 31, 2025, approximately 73.5% of our workforce was female and 26.5% male, and our average tenure was 10.1 years. As part of our compensation philosophy, we believe that we must offer and maintain market competitive total rewards programs for our employees in order to attract and retain superior talent. In addition to healthy base wages, additional programs include annual bonus opportunities, a Company augmented Employee Stock Ownership Plan, Company matched 401(k) Plan, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, family leave, family care resources, flexible work schedules, and employee assistance programs.

The success of our business is fundamentally connected to the well-being of our employees. We are committed to the health, safety, and wellness of our workforce and their families, providing access to a variety of flexible and convenient programs that support physical and mental health, including tools and resources to help employees maintain or improve their well-being. We have also implemented flexible work arrangements for eligible employees while continuing additional safety measures for employees performing critical on-site work.

A core tenet of our talent system is to both develop talent from within and supplement with external hires. This approach has yielded loyalty and commitment in our employee base which in turn grows our business, our products, and our customers, while adding new employees and external ideas supports a continuous improvement mindset. We believe that our 10.1-year average tenure reflects the engagement of our employees in this core talent system tenet.

Information About Our Executive Officers

Officers are elected annually to serve for a one-year term. There are no arrangements or understandings between the officers and any other person pursuant to which he or she was or is to be selected as an officer.

Garry D. Kleer (age 70). Mr. Kleer currently serves as Chairman, President, and Chief Executive Officer of Richmond Mutual Bancorporation and as Chairman and Chief Executive Officer of First Bank Richmond. Mr. Kleer joined the Bank in 1994 as Vice President of Commercial Lending and was promoted in 2001 to President and Chief Executive Officer. He also serves as Chairman of the Mutual Federal advisory board of directors. Mr. Kleer is a member of the American Bankers Association's Membership Council. During 2022, Mr. Kleer served as Chairman of the Indiana Bankers Association ("IBA") and continues to serve on its board as the ABA constituent director. Mr. Kleer was named a Sagamore of the Wabash and inducted into the IBA Leaders in Banking Excellence in 2022. Mr. Kleer's community involvement includes service on the boards of the Boys & Girls Clubs of Wayne County, Richmond Symphony Orchestra, and Reid Health. He has also been recognized with the Indiana University East Chancellor's Medallion, Junior Achievement Business Hall of Fame, Richmond/Wayne County Distinguished Community Leader, and Boys & Girls Clubs Man and Youth Award. In 2020, he was awarded the Indiana University Bicentennial Medal for distinguished service. Mr. Kleer is a graduate of Indiana University, the ABA Graduate School of Commercial Lending and the Stonier Graduate School of Banking. With 40+ years of experience working in the banking industry, his service on the boards of numerous community organizations and his extensive involvement in our community, Mr. Kleer brings outstanding leadership skills and a deep understanding of the local banking market and issues facing the banking industry.

Bradley M. Glover (age 35). Mr. Glover is currently serving as Senior Vice President and Chief Financial Officer of Richmond Mutual Bancorporation and First Bank Richmond. Mr. Glover was appointed Chief Financial Officer in March 2024 after serving as Acting Chief Financial Officer beginning May 2023. He has worked at First Bank Richmond since 2011. He served as Vice President and Controller of the Bank beginning in 2021 before promotion to his role of Chief Financial Officer. Mr. Glover's responsibilities include management and direction of the finance and accounting functions, asset-liability management, budgeting and investment management. He also manages the accounting functions of the Bank and oversees daily accounting operations, as well as directs and assists in the preparation of regulatory and managerial financial reports. Mr. Glover holds a BS in Accounting from Ball State University's Miller College of Business and has been recognized by the Indiana Bankers Association for completion of their Leadership Development Program. In addition to his 14-year career in banking, Mr. Glover also serves as a board member of Centerville-Abington Community Dollars for Scholars and a finance committee member of the Richmond Family YMCA.

Paul J. Witte (age 54). Mr. Witte, employed by First Bank Richmond since 1996, was promoted to President/Chief Operating Officer of the Bank in January 2023. Mr. Witte has recently served as Executive Vice President and previously as Senior Vice President of Commercial Lending since 2014 and Commercial Leasing since 2006. Mr. Witte manages the lending and operations functions of the Bank. Mr. Witte is a graduate of Ball State University with a BS in Accounting, Corporate Finance, and Institutional Finance. He is a Certified Public Accountant (currently inactive). He is a graduate of the Graduate School of Banking at the University of Wisconsin-Madison and has attended the Financial Managers School sponsored by the Graduate School of Banking at the University of Wisconsin-Madison. Mr. Witte has been extensively involved in our community, having served on the board of numerous organizations during his tenure.

William "Bill" A. Daley, Jr. (age 60). Mr. Daley has over 36 years of experience in community banking. He currently serves as the Ohio Market President at Mutual Federal, a position he has held since April 2025, where he is responsible for driving market growth, strengthening client relationships, and ensuring operational excellence across all banking functions. Previously, Mr. Daley served as Chief Executive Officer, Director, and Founder of Riverside Bank of Dublin, where he successfully launched and grew the bank earning a Bauer 5-Star rating and was named Ohio Bankers League Bank of the Year. Throughout his career, Mr. Daley has held senior leadership roles including Chief Lending Officer, Chief Credit Officer, Regional President, and Director of Commercial Banking. Mr. Daley holds a Bachelor of Arts in Economics from Indiana University, an MBA from Webster University, and is a graduate of the University of Wisconsin Graduate School of Banking.

Website

Our website addresses are www.firstbankrichmond.com and www.mutualfederal.com. The information contained on our websites are not included as a part of, or incorporated by reference into, this Annual Report on Form 10-K. Other than an investor's own internet access charges, we make available free of charge through its website the Annual Report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and amendments to these reports, as soon as reasonably practicable after we have electronically filed such material with, or furnished such material to, the SEC. Information pertaining to us, including SEC filings, can be found by clicking the link on our sites called "About Us," then scrolling down and clicking on the link called "Investor Relations."

Item 1A. Risk Factors

An investment in our common stock is not an insured deposit and is subject to risks inherent in our business. Before making an investment decision, you should carefully consider the risks and uncertainties described below together with all of the other information included and incorporated by reference in this report. In addition to the risks and uncertainties described below, other risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition, capital levels, cash flows, liquidity, results of operations and prospects. The market price of our common stock could decline significantly due to any of these identified or other risks, and you could lose some or all of your investment. The risks discussed below also include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements. This report is qualified in its entirety by these risk factors.

Risks Related to Macroeconomic Conditions

A worsening of economic conditions in our market area could reduce demand for our products and services and/or result in increases in our level of non-performing loans, which could adversely affect our operations, financial condition and earnings.

Local economic conditions have a significant impact on the ability of our borrowers to repay loans and the value of the collateral securing loans. Adverse economic conditions in our market areas, including declining employment, reduced consumer spending, business failures, or adverse weather events, could adversely affect our growth, customers' ability to repay loans, and, consequently, our business, financial condition, and results of operations.

Economic conditions in our market area are influenced by broad macroeconomic and policy factors, including inflation or deflation, changes in monetary policy, interest rate volatility, fiscal and trade policies, geopolitical conflicts, market instability, supply-chain disruptions, and adverse weather events. Although inflation has moderated, many borrowers continue to face higher operating costs, including increased costs of materials, goods, and labor. Changes in monetary policy may also affect borrowing behavior, asset values, and credit performance. Trade disputes, tariffs, and shifts in global supply chains may further increase costs for certain commercial borrowers, particularly those dependent on construction materials, raw materials, component parts, or exports.

A deterioration in economic conditions in the market areas we serve, whether due to recessionary conditions, inflation or deflation, interest rate volatility, geopolitical conflicts, market instability, adverse weather events, or other factors could have a materially adverse effect on our business, financial condition, or results of operations. Any of these conditions could lead to:

- Reduced demand for our products and services, potentially leading to lower loan originations, deposits, and other revenues;
- Elevated instances of loan delinquencies, problematic assets, and foreclosures;
- Reduced values in collateral securing our loans, thereby diminishing borrowing capacities and asset values tied to existing loans; and
- Reduced net worth and liquidity of loan guarantors, possibly impairing their ability to meet commitments to us.

A decline in local economic conditions may have a greater effect on our earnings and capital than on the earnings and capital of larger financial institutions whose real estate loan portfolios are geographically more diverse. Many of the loans in our portfolio are secured by real estate. Real estate values are affected by various factors, including economic conditions, governmental rules or policies, natural disasters, and trade-related pressures that may affect construction costs or availability of materials. If we are required to liquidate a significant amount of collateral during a period of reduced real estate values, our financial condition and profitability could be adversely affected.

Future changes in interest rates could reduce our profits and affect the value of our assets and liabilities.

Our net income is primarily derived from the excess of net interest income and non-interest income over non-interest expenses, provisions for credit losses, and taxes. The core component of our net income is driven by net interest income, which centers on the variance between the interest income accrued from interest-earning assets, such as loans and securities, and the interest expense incurred on interest-bearing liabilities, including deposits and borrowings.

The yields we earn on our assets and the rates we pay on our liabilities are generally fixed for a contractual period of time. Like many financial institutions, our liabilities generally have shorter contractual maturities than our assets. This mismatch exposes us to significant earnings volatility as market interest rates fluctuate. Shifts in interest rates can also impact the average lifespan of loans and mortgage-backed securities. In periods of rising interest rates, the growth rate of interest income from our assets might lag behind the accelerating interest expenses on liabilities. Conversely, declining interest rates can trigger increased loan prepayments and mortgage-backed security redemptions as borrowers seek lower borrowing costs through refinancing. This introduces reinvestment risk, where the challenge lies in reinvesting prepayments at rates comparable to those initially earned on the prepaid loans or securities. Moreover, an inverted interest rate yield curve, wherein short-term interest rates (which are usually the rates at which financial institutions borrow funds) surpass long-term rates (which are usually the rates at which financial institutions lend funds for fixed-rate loans), can compress a financial institution's net interest margin. This occurrence poses financial risks, particularly for institutions that originate longer-term, fixed-rate mortgage loans. As of December 31, 2025, approximately 35.9% of our loan and lease portfolio consisted of fixed-rate loans and leases, potentially exposing us to these risks.

As of December 31, 2025, our deposit composition included \$411.7 million in certificates of deposit maturing within one year and \$563.3 million in noninterest-bearing, NOW checking, savings, and money market accounts. In a rising rate environment, retaining deposits can become costlier. If deposit and borrowing rates rise faster than loan and investment yields, our net interest income and overall earnings could decline. Additionally, adjustable-rate residential mortgage loans and home equity lines of credit may face increased default risks in a rising rate environment.

A sustained and substantial change in market interest rates could significantly impact our financial condition, liquidity, and operational results. Furthermore, fluctuations in interest rates may adversely affect the valuation of our assets and liabilities, ultimately affecting our earnings.

Risks Related to the Proposed Merger with The Farmers Bancorp, Frankfort, Indiana

The completion of the merger with The Farmers Bancorp, Frankfort Indiana (“Farmers Bancorp”) is subject to numerous risks and uncertainties that could materially affect our business, financial condition, results of operations, and stock price.

We have entered into a definitive agreement pursuant to which Farmers Bancorp will be merged with and into Richmond Mutual Bancorporation, with Richmond Mutual Bancorporation as the surviving entity. Promptly thereafter, Farmers Bancorp’s wholly owned bank subsidiary, The Farmers Bank, will be merged with and into First Bank Richmond, the wholly owned bank subsidiary of Richmond Mutual Bancorporation, with First Bank Richmond as the surviving bank. These transactions (collectively, the “merger”), if completed, will substantially increase the size of the Company.

Successfully integrating the operations, technologies, systems, personnel, and corporate cultures of the two companies may be complex, time-consuming, and costly. We may not achieve any or all of the anticipated strategic, operational, or financial benefits of the merger, including projected cost savings and revenue synergies. Disruptions related to integration could result in delays, inefficiencies, or the loss of key personnel, customers, or suppliers, any of which could adversely affect our business.

The merger also involves significant financial and accounting risks. The transaction requires valuation of acquired assets and liabilities, recognition of goodwill and other intangible assets, and may result in increased balance sheet complexity. Future impairment of goodwill, if any, or intangible assets could adversely affect our results of operations. Changes in our capital structure or increased leverage resulting from the transaction could also affect our liquidity, financial condition, and ability to access capital.

Completion of the merger is subject to regulatory approvals and other conditions. Failure to obtain or delays in obtaining such approvals could prevent or delay the merger or require us to comply with conditions that could adversely affect the combined company. Litigation or claims arising in connection with the merger could also result in unanticipated costs or obligations.

Market and business conditions following the merger may differ from expectations, and the combined company may face increased competition or changes in customer, supplier, or employee relationships. The anticipated benefits of the merger, including cost savings and revenue synergies, may not be realized in full or within the expected timeframe. These factors, individually or in combination, could have a material adverse effect on our business, financial condition, results of operations, and stock price.

Risks Related to Our Business

We have a substantial portfolio of commercial and multi-family real estate, as well as commercial and industrial loans, and we intend to continue increasing originations of these loan types. These loans carry credit risks that could adversely affect our financial condition and results of operations.

As of December 31, 2025, our portfolio included commercial real estate, multi-family real estate, and commercial and industrial loans totaling \$765.7 million, constituting approximately 64.1% of our total loans and leases. Commercial loans typically involve larger principal amounts than other types of loans, and some of our commercial borrowers have more than one loan outstanding with us. Consequently, an adverse development related to a single commercial loan or credit relationship poses a significantly greater risk of loss compared to one-to-four family residential mortgage loans. Repayment of commercial loans often depends on the cash flow generated by the business or property involved, making them more sensitive to adverse conditions in the real estate market, business climate, or broader economic environment. For loans secured by non-owner-occupied properties, repayments rely heavily on tenant rent payments, and softening real estate conditions or weaker economic activity heighten repayment risks. In addition, many of our commercial real estate loans are not fully amortizing and require large balloon payments upon maturity, which may necessitate the borrower to sell or refinance the property, increasing the risk of default.

Commercial and industrial loans typically are made based on the cash flow of the borrower and secondarily on the underlying collateral provided by the borrower. A borrower's cash flow can be unpredictable, and collateral securing these loans may fluctuate in value. For loans secured by accounts receivable, repayment often depends on the borrower's ability to collect from clients, while other forms of collateral may be difficult to appraise, illiquid, or subject to risks tied to the borrower's operating performance. Increases in reserves and charge-offs related to our commercial and industrial loan portfolio could materially impact our business, financial condition, operating results, and prospects.

In recent years, the commercial real estate market has experienced periods of stabilization, and selective improvement in certain property types and markets have occurred; however, many segments, particularly office and other properties sensitive to broader economic trends, continue to experience pressure. Elevated interest rates and shifts in market demand have contributed to elevated vacancies, reduced rental income, and continued valuation risk. These trends could adversely affect the performance of our commercial real estate loan portfolio and may prompt regulatory scrutiny or heightened supervisory expectations.

Failures in our risk management policies and controls could lead to higher delinquencies and losses, adversely affecting our business, financial condition, and results of operations.

We have focused on growing our construction and development loan portfolio in recent years, which adds additional risks to our loan portfolio.

As of December 31, 2025, our construction and development loans totaled \$71.7 million, accounting for approximately 6.0% of our total loan portfolio. This portfolio is comprised of \$65.2 million in commercial construction loans and \$6.5 million in residential real estate construction loans, reflecting a substantial increase from the \$58.4 million, constituting 7.8% of total loans, reported at December 31, 2020.

Engaging in construction lending inherently carries higher credit risk compared to long-term financing for improved, owner-occupied real estate. Loans granted for properties not yet approved for planned development or improvements pose the risk of potential denials or delays in necessary approvals. Additionally, the risk of loss on a construction loan heavily relies on the accuracy of initial property value estimates upon completion compared to the estimated construction costs (inclusive of interest) and other assumptions. Inaccurate cost estimates may necessitate additional fund disbursements beyond the committed amount to protect the property's value. Moreover, misjudgment in estimating the completed project's value may result in the borrower holding a property insufficient to fully repay the construction loan upon its sale. Delays or cost overruns in construction can compound risks, especially when repayments rely on property sales or rentals to third parties, which may not transpire as anticipated. The sale of properties under construction is often challenging and typically requires completion for successful transactions, complicating the handling of problematic construction loans.

Speculative construction loans carry additional risks, including the borrower's ability to secure a take-out commitment for a permanent loan. Loans associated with undeveloped land or future construction also present added risks due to the lack of income generation from the property and its potential illiquid nature as collateral. Furthermore, various risks, such as fraudulent diversion of construction funds, mechanics' liens filed by contractors, subcontractors, or suppliers, and potential contractor

failures in completing projects, contribute to the complexity and uncertainties associated with construction and development loans.

Our portfolio of loans with a higher risk of loss is increasing and the unseasoned nature of such loans could lead to misjudgments in collectability, triggering additional provisions or charge-offs, impacting our profits.

Our commercial loan portfolio, which includes commercial and multi-family real estate loans, commercial and industrial loans, and construction loans, has increased to \$837.4 million, or 70.2% of total loans and leases, at December 31, 2025 from \$436.3 million, or 58.7% of total loans and leases, at December 31, 2020. A significant portion of this portfolio is composed of unseasoned loans, meaning they were recently originated. Due to our limited history with these borrowers, we lack a comprehensive payment history to effectively assess the likelihood of future collectability. Furthermore, many of these loans have not yet been tested under adverse economic conditions. As a result, predicting the future performance of this segment of our loan portfolio remains challenging. These loans may experience higher delinquency or charge-off rates compared to our historical averages, which could negatively impact our future performance.

If we are unable to maintain and grow revenue from our leasing business our future revenue and earnings may be adversely impacted.

Our lease financing operation consists of direct financing leases which are used by commercial customers to finance purchases such as medical, computer and manufacturing equipment, audio/visual equipment, industrial assets, construction and transportation equipment, and a wide variety of other commercial equipment. Revenue generated from our leasing business accounted for 13.3% and 13.5% of our total revenue for the years ended December 31, 2025 and 2024, respectively.

We rely solely on brokers and other third-party originators to generate our lease transactions. To generate deal flow, we work with over 100 brokers and third-party originators across the country, some of which are one-person shops and others more established companies, with most of the volume coming from fewer than 25 referral sources. None of our relationships are exclusive and any may be terminated at any time. During 2025, of our \$69.4 million in lease originations, the top five brokers/third party originators accounted for approximately 46.1% of our total volume of lease originations, one of whom accounted for approximately 11.8% of our total volume of lease originations. At December 31, 2025, our top 25 brokers/third party originators collectively accounted for 82.7% of our total direct financing lease portfolio, with our largest broker/third party originator accounting for 12.0% of the portfolio. Losing top brokers or third-party originators, or their customers, without finding comparable alternatives, could decrease leasing volume, leading to potential revenue decline, materially impacting our business, financial condition, and results of operations.

Our leasing business exposes us to different credit risks than our real estate secured lending.

At December 31, 2025, direct financing leases totaled \$145.8 million, or 12.2% of our total loan and lease portfolio. Our direct financing leases, while short term in nature, are inherently risky as they are secured by assets that depreciate rapidly. In some cases, repossessed collateral may not provide an adequate source of repayment for the outstanding lease balance and the remaining deficiency may not warrant further substantial collection efforts against the borrower. Also, if a lessee under a defaulted lease files for protection under the bankruptcy laws, then: (i) we may experience difficulties and delays in recovering the equipment from the defaulting party; (ii) the equipment may be returned in poor condition; and (iii) we may be unable to enforce important contract provisions against the insolvent party. We do not expect to be able to recover software that we lease or finance for a customer that is not on a computer's hard drive and, even if we could do so, we generally would not be able to lease or sell the same software again under the terms of use required by the software vendors.

Finance leasing collections depend on the customer's continuing financial stability, and therefore are more likely to be adversely affected by the cash flows of the business within certain industries. Factors that may adversely affect the ability of our customers to meet their repayment plans include, among other things, their inability to implement their business plans or to meet their sales targets, any downturn in the markets or industries in which they operate, or any declines in general economic conditions. There is no guarantee that the financial condition of our customers will remain healthy in the future, that our customers will continue to fulfill their repayment obligations on time, or that any of our customers will not ultimately default on their leases. As a result, we cannot assure you that our profitability or the demand for our leasing services from our customers will be maintained at historical levels.

Moreover, approximately \$55.1 million or 37.7% of our total lease portfolio is to customers located in California, New York, Florida, and Texas. Adverse economic conditions within these market areas may reduce our leasing volume and affect

our customers' ability to make lease payments, resulting in higher defaults, which may result in our inability to fully recover our investment in the related equipment and adversely impact our business, financial condition, and results of operations.

If our allowance for credit losses is not sufficient to cover actual losses, our earnings could decrease.

We periodically review our allowance for credit losses for adequacy considering economic conditions and trends, collateral values and credit quality indicators, including past charge-off experience and levels of past due loans and nonperforming assets. We cannot be certain that our allowance for credit losses will be adequate over time to cover credit losses in our portfolio because of unanticipated adverse changes in the economy, market conditions or events adversely affecting specific customers, industries or markets, and changes in borrower behaviors. Differences between our actual experience and assumptions and the effectiveness of our models may adversely affect our business, financial condition, including liquidity and capital, and results of operations. Deterioration in economic conditions, new information regarding existing loans, identification of additional problem loans or relationships, and other factors, both within and outside of our control, may increase our loan charge-offs and/or otherwise require an increase in our provision for credit losses on loans. In addition, bank regulatory agencies periodically review our allowance for credit losses. Based on their assessment, they may require additional provisions for credit losses or loan charge-offs. Any increase in the provision for credit losses affects net income and could materially impact our financial condition, results of operations, and capital.

Reliance on lead institutions for credit quality updates in loan participations may expose us to financial, regulatory, and reputational risks.

We participate in loan participation agreements in which we are not the lead lender and rely on lead institutions to provide timely and accurate updates on changes in the credit quality of the underlying loans. If these institutions fail to deliver such updates in a timely manner, we may misstate our allowance for credit losses, which could result in unanticipated credit losses. Additionally, our dependence on lead institutions exposes us to counterparty risk, as financial distress or operational failures on their part may impair our ability to assess and manage credit risk effectively. Inadequate reporting of credit quality changes could also result in non-compliance with regulatory requirements, potentially leading to regulatory scrutiny, fines, or other enforcement actions. Moreover, delays or inaccuracies in credit updates could damage our reputation, eroding investor and customer confidence in our risk management practices. Failure to properly assess and disclose risks associated with loan participations may further expose us to legal liabilities, including litigation from investors or regulatory agencies alleging mismanagement or inadequate disclosures. At December 31, 2025, we held \$83.4 million in loan participations in which we were not the lead lender.

Changes in the valuation of our securities portfolio could hurt our profits and reduce our capital levels.

Our securities portfolio is impacted by fluctuations in market value, potentially reducing accumulated other comprehensive income and/or earnings. Fluctuations in market value may be caused by changes in market interest rates, lower market prices for securities and limited investor demand. Management evaluates securities for impairment on a quarterly basis, with more frequent evaluation for selected issues. In analyzing a debt issuer's financial condition, management considers whether the securities are issued by the federal government or its agencies, whether downgrades by bond rating agencies have occurred, industry analysts' reports, and spread differentials between the effective rates on instruments in the portfolio compared to risk-free rates. In analyzing an equity issuer's financial condition, management considers industry analysts' reports, financial performance and projected target prices of investment analysts within a one-year time frame. If this evaluation shows impairment to the actual or projected cash flows associated with one or more securities, a potential loss to earnings may occur. Changes in interest rates can also have an adverse effect on our financial condition, as our available-for-sale securities are reported at their estimated fair value, and therefore are impacted by fluctuations in interest rates. We increase or decrease our stockholders' equity by the amount of change in the estimated fair value of the available-for-sale securities, net of taxes. Declines in market value could result in impairments of these assets, which would lead to accounting charges that could have a material adverse effect on our net income and capital levels. As of December 31, 2025, we had no securities that were deemed impaired.

A tightening of credit markets and liquidity risk could impair our ability to fund operations and jeopardize our financial condition.

Liquidity is essential to the operation of our business. A tightening of the credit markets or the inability to obtain adequate funding to replace deposits and support continued loan growth could negatively impact asset growth, earnings capability, and capital levels. To meet potential liquidity demands, we rely on several sources. Our primary sources of liquidity include increases in deposit accounts, including brokered deposits, as well as cash flows from loan payments and our securities

portfolio. Additionally, borrowings, particularly from the Federal Home Loan Bank and through repurchase agreements, provide us with an important source of funds.

An inability to raise funds through deposits, borrowings, the sale of loans, or other sources could have a substantial negative effect on our liquidity. Our access to adequate funding, whether through deposits or other means, could be impaired by factors specific to us, or by broader issues affecting the financial services industry or the economy in general. Potential factors that could adversely affect our access to liquidity include adverse regulatory actions, a decrease in our business activity due to a downturn in the markets where our loans are concentrated, or a loss of depositor confidence in our ability to meet withdrawal demands. Additionally, our ability to borrow could be affected by factors beyond our control, such as disruptions in the financial markets, negative views about the financial services industry, or deterioration in credit markets.

We use estimates in determining the fair value of certain assets, such as mortgage servicing rights (“MSRs”). If our estimates prove to be incorrect, we may be required to write down the value of these assets, which could adversely affect our earnings.

We sell a portion of our one- to four-family loans in the secondary market. We generally retain the right to service these loans through First Bank Richmond. At December 31, 2025, the book value of our MSRs was \$1.9 million. We utilize a financial model that uses, wherever possible, quoted market prices to value our MSRs. This model is complex and also uses assumptions related to interest and discount rates, prepayment speeds, delinquency and foreclosure rates and ancillary fee income. Valuations are highly dependent upon the reasonableness of our assumptions and the predictability of the relationships that drive the results of the model. The primary risk associated with MSRs is that they will lose a substantial portion of their value as a result of higher than anticipated prepayments occasioned by declining interest rates. Conversely, these assets generally increase in value in a rising interest rate environment to the extent that prepayments are slower than anticipated. If prepayment speeds increase more than estimated, or delinquency and default levels are higher than anticipated, we may be required to write down the value of our MSRs, which could have a material adverse effect on our net income and capital levels. We obtain independent valuations quarterly to determine if impairment in the asset exists.

If our investment in the Federal Home Loan Bank of Indianapolis becomes impaired, our earnings and stockholders’ equity could decrease.

At December 31, 2025, we owned \$13.9 million in Federal Home Loan Bank (“FHLB”) of Indianapolis stock. We are required to own this stock to be a member of and to obtain advances from the FHLB of Indianapolis. This stock is not marketable and can only be redeemed by the FHLB of Indianapolis. The FHLB of Indianapolis’ financial condition is linked, in part, to the eleven other members of the FHLB System and to accounting rules and asset quality risks that could materially lower their capital, which would cause our FHLB of Indianapolis stock to be deemed impaired, resulting in a decrease in our earnings and assets.

Our size makes it difficult for us to compete.

Our asset size makes it difficult to compete with other financial institutions that are larger and can more easily afford to invest in the marketing and technologies needed to attract and retain customers. Because our principal source of income is the net interest income we earn on our loans and investments after deducting interest paid on deposits and other sources of funds, our ability to generate the revenues needed to cover our expenses and finance such investments is limited by the size of our loan and investment portfolios. Accordingly, we are not always able to offer new products and services as quickly as our competitors. Our lower earnings may also make it more difficult to offer competitive salaries and benefits. In addition, our smaller customer base may make it difficult to generate meaningful non-interest income from such activities as securities brokerage or the sale of insurance products. Finally, as a smaller institution, we are disproportionately affected by the continually increasing costs of compliance with new banking and other regulations.

As a community bank, maintaining our reputation in our market area is critical to the success of our business, and the failure to do so may materially adversely affect our performance.

We are a community bank, and our reputation is one of the most valuable components of our business. A key component of our business strategy is to rely on our reputation for customer service and knowledge of local markets to expand our presence by capturing new business opportunities from existing and prospective customers in our current market and contiguous areas. As such, we strive to conduct our business in a manner that enhances our reputation. This is done, in part, by recruiting, hiring and retaining employees who share our core values of being an integral part of the communities we serve, delivering superior service to our customers and caring about our customers and associates. We operate in many different financial service businesses and rely on the ability of our employees and systems to process a significant number of

transactions. Operational risk is the risk of loss from operations, including fraud by employees or outside persons, employees' execution of incorrect or unauthorized transactions, data processing and technology errors or hacking and breaches of internal control systems. If our reputation is negatively affected by the actions of our employees, by our inability to conduct our operations in a manner that is appealing to current or prospective customers, or otherwise, our business and, therefore, our operating results may be materially adversely affected.

We face significant operational risks because the financial services business involves a high volume of transactions and because of our reliance on technology.

Our business requires us to collect, process, transmit and store significant amounts of confidential information regarding our customers, employees and our own business, operations, plans and business strategies. Our operational and security systems infrastructure, including our computer systems, data management and internal processes, as well as those of third parties, are integral to our performance. Our operational risks include the risk of malfeasance by employees or persons outside our company, errors relating to transaction processing and technology, systems failures or interruptions, breaches of our internal control systems and compliance requirements, and business continuation and disaster recovery. Insurance coverage may not be available for such losses, or where available, such losses may exceed insurance limits. This risk of loss also includes the potential for legal actions that could arise as a result of operational deficiencies or as a result of non-compliance with applicable regulatory standards or customer attrition due to potential negative publicity.

In the event of a breakdown in our internal control systems, improper operation of systems or improper employee actions, or a breach of our security systems, including if confidential or proprietary information were to be mishandled, misused or lost, we could suffer financial loss, face regulatory action, civil litigation and/or suffer damage to our reputation. Although we have not experienced any material technology failures, cyber-attacks or other information or security breaches, or material losses related to any such events to date, there can be no assurance that we will not suffer such events, losses or other consequences in the future. Our risk and exposure to these matters remain heightened because of, among other things, the evolving nature of these threats and our role as a provider of financial services, our continuous transmission of sensitive information to, and storage of such information by, third parties, including our vendors and regulators, the outsourcing of some of our business operations, threats of cyber-terrorism, and system and customer account updates and conversions. As a result, cyber-security and the continued development and enhancement of our controls, processes and practices designed to protect our systems, computers, software, data and networks from attack, damage or unauthorized access remain an area of substantial concern.

Our information systems may experience failure, interruption or breach in security.

Our business heavily relies on electronic communication and information systems, serving as the backbone for our operations and storage of sensitive data. Any disruption, failure, or breach in the security of these systems could significantly disrupt our operations. Cybersecurity threats encompass a range of incidents, including unauthorized access attempts, data breaches, computer viruses, and denial-of-service attacks. These events may lead to data theft, misuse, loss, or destruction, compromising confidential customer information, account takeovers, or service unavailability. These threats can stem from multiple sources, ranging from human errors to deliberate acts of malice from internal or external parties, or even unforeseen technological failures. The expanding use of cloud services and remote work technologies exposes us to heightened vulnerability to cyber-attacks. The risk associated with security breaches or disruptions, especially those stemming from cyber-attacks, has become more pronounced due to the increasing sophistication and frequency of global intrusion attempts. Despite our continuous efforts to maintain the security and integrity of our information systems and implement robust risk management strategies, there is an inherent challenge. Cyber-attacks often evolve at a pace that makes it difficult to proactively anticipate and mitigate them effectively. The dynamic nature of these threats means it's nearly impossible to entirely eliminate the risk. In the unfortunate event of a cyber-attack, delayed identification or response to the breach could significantly worsen its impact on our business, financial standing, and operational integrity. While we maintain specialized cyber insurance coverage, it may not cover every potential breach scenario, leaving certain instances uncovered.

The repercussions of a security breach or major disruption to our information systems, as well as those of our customers, merchants, or third-party vendors, can be extensive. This includes disrupting operations, unauthorized access to sensitive information, potential legal violations, increased regulatory scrutiny, civil litigation, resource-intensive efforts to rectify the situation, damage to our reputation, or loss of customers. Any of these scenarios could have a material and adverse effect on our business, financial position, and operational outcomes.

Our operations rely on certain external vendors.

We rely on certain external vendors to provide products and services necessary to maintain our day-to-day operations. These third-party vendors are sources of operational and informational security risks to us, including risks associated with operational errors, information system failures, interruptions or breaches and unauthorized disclosures of sensitive or confidential client or customer information. If these vendors encounter any of these issues, or if we have difficulty communicating with them, we could be exposed to disruption of operations, loss of service or connectivity to customers, reputational damage, and litigation risk that could have a material adverse effect on our business and, in turn, our financial condition and results of operations.

In addition, our operations are exposed to risk that these vendors will not perform in accordance with the contracted arrangements under service level agreements. Although we have selected these external vendors carefully, we do not control their actions. The failure of an external vendor to perform in accordance with the contracted arrangements under service level agreements, because of changes in the vendor's organizational structure, financial condition, support for existing products and services or strategic focus or for any other reason, could be disruptive to our operations, which could have a material adverse effect on our business, and in turn, our financial condition and results of operations. Replacing these external vendors could also entail significant delay and expense.

Our current and future uses of Artificial Intelligence (AI) and other emerging technologies may create additional risks.

The increasing adoption of AI in financial services presents significant opportunities but also introduces a range of risks that could impact our operations, regulatory compliance, and customer trust. AI introduces model risk, where flawed algorithms or biased data could result in inaccurate credit decisions, compliance violations, or discriminatory outcomes in lending or customer service. Cybersecurity threats, such as data breaches, adversarial attacks, and data poisoning, pose significant challenges, particularly as these systems handle large volumes of sensitive customer information. Additionally, the opaque nature of some AI models, often referred to as "black-box" systems, raises regulatory compliance concerns, as regulators increasingly require transparency and explainability in AI-driven decision-making.

Operational risks also arise from potential system failures, over-reliance on AI, and integration challenges with existing infrastructure. Disruptions in AI systems could impact critical functions such as fraud detection, transaction monitoring, and customer support. Ethical and reputational risks, including unintended consequences or perceived unfairness in AI-driven decisions, may erode customer trust and expose us to regulatory scrutiny.

Mitigating these risks requires a robust governance framework, regularly testing and auditing of AI models, and strong human oversight. Investments in cybersecurity, data privacy protections, and employee training are critical to managing these risks.

We are subject to environmental liability risk associated with lending activities on properties we own.

A significant portion of our loan portfolio is secured by real estate, and we could become subject to environmental liabilities with respect to one or more of these properties, or with respect to properties that we own in operating our business. During the ordinary course of business, we may foreclose on and take title to properties securing defaulted loans. In doing so, there is a risk that hazardous or toxic substances could be found on these properties. If hazardous conditions or toxic substances are found, we may be liable for remediation costs, as well as for personal injury and property damage, civil fines and criminal penalties regardless of when the hazardous conditions or toxic substances first affected any particular property. Environmental laws may require us to incur substantial expenses to address unknown liabilities and may materially reduce the affected property's value or limit our ability to use or sell the affected property. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase our exposure to environmental liability. Our policies, which require us to perform an environmental review before initiating any foreclosure action on non-residential real property, may not be sufficient to detect all potential environmental hazards. The remediation costs and any other financial liabilities associated with an environmental hazard could have a material adverse effect on us.

Regulatory and Accounting Related Risks

We operate in a highly regulated environment and may be adversely affected by changes in federal and state laws and regulations that could increase our costs of operations.

The banking industry is extensively regulated. Federal banking regulations are designed primarily to protect the deposit insurance funds and consumers, not to benefit a company's shareholders. These regulations may sometimes impose significant limitations on our operations. These regulations, along with the currently existing tax, accounting, securities, insurance, and monetary laws, regulations, rules, standards, policies, and interpretations control the methods by which financial institutions conduct business, implement strategic initiatives and tax compliance, and govern financial reporting and disclosures. These laws, regulations, rules, standards, policies, and interpretations are constantly evolving and may change significantly over time. Any new regulations or legislation, change in existing regulation or oversight, whether a change in regulatory policy or a change in a regulator's interpretation of a law or regulation, could have a material impact on our operations, increase our costs of regulatory compliance and of doing business and adversely affect our profitability. Further, our failure to comply with laws, regulations or policies could result in civil or criminal sanctions and money penalties by state and federal agencies, and/or reputation damage, which could have a material adverse effect on our business, financial condition and results of operations. See "Part I, Item 1. Business - How We Are Regulated." for more information about the regulations to which we are subject.

Changes in laws and regulations and the cost of regulatory compliance with new laws and regulations may adversely affect our operations and/or increase our costs of operations.

First Bank Richmond is subject to extensive regulation, supervision and examination by the FDIC and the IDFI, and Richmond Mutual Bancorporation is subject to extensive regulation, supervision and examination by the Federal Reserve Board. Such regulation and supervision govern the activities in which an institution and its holding company may engage and are intended primarily for the protection of the federal deposit insurance fund and the depositors of First Bank Richmond, rather than for our stockholders. Regulatory authorities have extensive discretion in their supervisory and enforcement activities, including the imposition of restrictions on our operations, the classification of our assets and determination of the level of our allowance for credit losses. These regulations, along with existing tax, accounting, securities, insurance and monetary laws, rules, standards, policies, and interpretations, control the methods by which financial institutions conduct business, implement strategic initiatives and tax compliance, and govern financial reporting and disclosures. Any change in such regulation and oversight, whether in the form of regulatory policy, regulations, legislation or supervisory action, may have a material impact on our operations. Further, changes in accounting standards can be both difficult to predict and involve judgment and discretion in their interpretation by us and our independent accounting firm. These changes could materially impact, potentially even retroactively, how we report our financial condition and results of operations.

We are subject to an extensive body of accounting rules and best practices. Periodic changes to such rules may change the treatment of critical financial line items and affect our profitability.

Our business operations are significantly influenced by the extensive body of accounting regulations in the United States. Regulatory bodies periodically issue new guidance, altering accounting rules and reporting requirements, which can substantially affect the preparation and reporting of our financial statements. These changes may necessitate retrospective application, potentially leading to restatements of prior period financial statements.

One such recent significant change was the implementation of the Current Expected Credit Losses ("CECL") model, which we adopted on January 1, 2023. Under the CECL model, financial assets carried at amortized cost, such as loans and held-to-maturity debt securities, are presented at the net amount expected to be collected. This forward-looking approach in estimating expected credit losses contrasts starkly with the former GAAP's "incurred loss" model, delaying recognition until a loss is probable. CECL mandates considering historical experience, current conditions, and reasonable forecasts affecting collectability, leading to periodic adjustments of financial asset values. However, this forward-looking methodology, reliant on macroeconomic variables, introduces the potential for increased earnings volatility due to unexpected changes in these indicators between periods.

An additional consequence of CECL is an accounting asymmetry between loan-related income, recognized periodically based on the effective interest method, and credit losses, recognized upfront at origination. This asymmetry might create the perception of reduced profitability during loan expansion periods due to the immediate recognition of expected credit losses. Conversely, periods with stable or declining loan levels might seem relatively more profitable as income accrues gradually for loans where losses had been previously recognized.

Climate change and related legislative and regulatory initiatives may materially affect the Company's business and results of operations.

The effects of climate change continue to raise significant concerns about the state of the environment. Federal and state policy approaches to climate change continue to evolve, and changes in legislative or regulatory priorities could alter the requirements and expectations placed on businesses, including banks, to address climate-related risks.

The lack of empirical data regarding the financial and credit risks posed by climate change makes it difficult to predict its specific impact on our financial condition and results of operations. However, the physical effects of climate change, such as more frequent and severe weather disasters, could directly affect us. For instance, such events may damage real property securing loans in our portfolio or reduce the value of that collateral. If our borrowers' insurance is insufficient to cover these losses or if insurance becomes unavailable, the value of the collateral securing our loans could be negatively affected, potentially impacting our financial condition and results of operations. Moreover, climate change may adversely affect regional and local economic activity, harming our customers and the communities in which we operate. Regardless of changes in federal policy, the effects of climate change and their unknown long-term impacts could still have a material adverse effect on our financial condition and results of operations.

Other Risks

We may elect or be compelled to seek additional capital in the future, but that capital may not be available when it is needed or on terms acceptable to us.

We are required by federal regulatory authorities to maintain adequate levels of capital to support our operations. We believe the net proceeds of our initial public offering will be sufficient to permit us to maintain regulatory compliance for the foreseeable future. Nevertheless, we may elect to raise more capital to support our business or to finance acquisitions, if any, or we may otherwise elect or be required to raise additional capital in the future. Our ability to raise additional capital, if needed, will depend on conditions in the capital markets, economic conditions and a number of other factors, many of which are outside our control, and on our financial performance. We cannot assure you of our ability to raise additional capital if needed or on terms acceptable to us. If we cannot raise additional capital when needed, or if the terms of such a capital raise are not advantageous, it may have a material adverse effect on our financial condition, results of operations and prospects.

Scrutiny and evolving expectations from customers, regulators, investors, and other stakeholders with respect to our environmental, social and governance practices may impose additional costs on us or expose us to new or additional risks.

In recent years, companies have faced scrutiny from customers, regulators, investors, and other stakeholders related to their environmental, social, and governance ("ESG") practices and disclosure. Investor advocacy groups, investment funds, and influential investors are also focused on these practices, especially as they relate to the environment, health and safety, diversity, labor conditions, and human rights. ESG-related compliance costs could result in increases to our overall operational costs. Failure to adapt to or comply with regulatory requirements, or investor or stakeholder expectations and standards, could negatively impact our reputation, ability to do business with certain partners, and our stock price.

Recent changes in the regulatory landscape and shifting federal priorities have moved toward a reduction in emphasis on certain ESG priorities, particularly around climate change and diversity, equity, and inclusion ("DEI"). This shift has led to a rollback of regulations that mandate specific disclosures and operational practices in these areas. However, some stakeholder groups continue to demand greater transparency and action, resulting in a complex and potentially conflicting environment for companies. If regulatory enforcement of ESG-related policies becomes less stringent, companies may face reputational risks if their practices are seen as insufficient or inconsistent with broader societal expectations, especially related to DEI and environmental stewardship. As a result, navigating this evolving regulatory and public opinion landscape may require us to balance compliance with regulatory requirements against maintaining investor, customer, and stakeholder trust.

There may be future sales of additional common stock or preferred stock or other dilution of our equity, which may adversely affect the market price of our common stock.

We are not restricted from issuing additional common stock or preferred stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, common stock or preferred stock or any substantially similar securities. The market value of our common stock could decline as a result of sales by us of a large number of shares of common stock or preferred stock or similar securities in the market or the perception that such sales could occur.

Our board of directors is authorized to allow us to issue additional common stock, as well as classes or series of preferred stock, generally without any action on the part of the stockholders. In addition, the board has the power, generally without stockholder approval, to set the terms of any such classes or series of preferred stock that may be issued, including

voting rights, dividend rights and preferences over the common stock with respect to dividends or upon the liquidation, dissolution or winding-up of our business and other terms. If we issue preferred stock in the future that has a preference over the common stock with respect to the payment of dividends or upon liquidation, dissolution or winding-up, or if we issue preferred stock with voting rights that dilute the voting power of the common stock, the rights of holders of the common stock or the market value of the common stock could be adversely affected.

You may not receive dividends on our common stock.

Holders of our common stock are only entitled to receive such dividends as our board of directors may declare out of funds legally available for such payments. The declaration and payment of future cash dividends will be subject to, among other things, regulatory restrictions, our then current and projected consolidated operating results, financial condition, tax considerations, future growth plans, general economic conditions, and other factors our board of directors deems relevant. Richmond Mutual Bancorporation depends primarily upon the proceeds it retained from its initial public offering as well as earnings of First Bank Richmond to provide funds to pay dividends on our common stock. The payment of dividends by First Bank Richmond is also subject to certain regulatory restrictions. Federal law generally prohibits a depository institution from making any capital distributions (including payment of a dividend) to its parent holding company if the depository institution would thereafter be or continue to be undercapitalized, and dividends by a depository institution are subject to additional limitations. As a result, any payment of dividends in the future by Richmond Mutual Bancorporation may depend on First Bank Richmond's ability to satisfy these regulatory restrictions and its earnings, capital requirements, financial condition and other factors.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 1C. Cybersecurity

Risk Management and Strategy

The Company's Information Security Program ("ISP") is a robust framework overseen by the Information Technology Board Committee ("ITBC") and the IT Steering Committee ("ITSC"). These committees play a pivotal role in managing technology and cyber risks, ensuring compliance with regulatory requirements, and fostering a controlled risk environment.

The ITBC and ITSC meet quarterly. Meeting minutes from the ITSC are regularly submitted to the Board for review. These two committees jointly oversee the organization's information technology and cyber risk posture, focusing on the assessment of information and cybersecurity risks. Evaluated risks are subject to rigorous controls, ensuring both design and operational effectiveness and adherence to regulatory requirements. In instances where a risk is identified as inadequately controlled, remediation measures are implemented to reduce the risk to an acceptable level. This commitment to ongoing assessment and responsiveness enhances our ability to adapt to emerging threats and maintain a proactive stance in managing risks effectively.

The identification of risks is a multifaceted process that involves a range of activities. This includes monitoring of guidance issued by regulatory authorities, participating in professional forums, conducting both internal and external audits, collaborating with third-party services, reviewing policies, and adhering to best practice frameworks including Federal Financial Institutions Examination Council ("FFIEC") guidance and information security requirements established in the Gramm-Leach Bliley Act, along with other relevant state laws and agency regulations. For instance, as part of our risk management framework, we regularly assess phishing threats targeting employees, conduct simulated attack exercises, and implement enhanced endpoint detection solutions. Furthermore, we emphasize the importance of maintaining a collaborative relationship with third-party service providers/vendors. This collaborative approach enhances our risk management capabilities and ensures a shared commitment to maintaining a secure information environment.

Moreover, our commitment to robust risk management extends to the maintenance of a comprehensive Security Incident Response Plan ("SIRP"). This SIRP serves as a framework for effectively addressing and mitigating security incidents. Within this plan, we integrate accessible resources to fortify our response capabilities. This includes establishing collaborative partnerships with insurance providers, regulatory agencies, and law enforcement agencies, ensuring a seamless and coordinated approach in the event of a security incident. Recognizing the interdependence of our practices with service providers and vendors, we actively engage with our partners during the notification and investigation processes following a security incident. This collaborative effort is designed to foster complete visibility into the nature and scope of security risks and events, enabling

a unified and effective response. In addition to incident response, the Company implements robust data protection measures, including encryption protocols, multi-factor authentication, and data loss prevention controls, to safeguard sensitive information. To ensure we can keep our operations running smoothly, we maintain and regularly test our business continuity and disaster recovery plans. These measures help minimize disruption and ensure a swift recovery in the event of a cybersecurity incident.

Our SIRP is dynamic and adaptable, evolving in tandem with the ever-changing cybersecurity landscape. By regularly updating and refining our response strategies, we remain prepared to confront emerging threats. The Company also maintains a cyber insurance policy as part of its overall risk management strategy to mitigate financial losses in the event of a cybersecurity incident.

As of the reporting period, the Company has not experienced any material cybersecurity events or incidents. Although third-party service providers have encountered cybersecurity events or incidents, these occurrences have not resulted in a material impact on our systems, computing environments, or data. In determining materiality, the Company evaluates factors such as potential financial loss, operational disruptions, regulatory implications, and reputational harm. The Company remains committed to enhancing its cybersecurity defenses through ongoing risk assessments, investment in technology, and adherence to industry best practices.

Governance

Our Board, supported by the ITBC and the ITSC, actively oversees our processes for management of cybersecurity risks and threats. The Board's responsibilities include the ongoing administration of the ISP, conducting an annual review, and granting approval. Regular reviews of reports by both the Board and the ITBC, submitted by the ITSC, ensure timely awareness of emerging concerns and facilitate continuous enhancements to our cybersecurity posture. In addition to governance oversight, the Board designates key roles crucial for effective cybersecurity management. This includes appointing the Information Security Officer ("ISO"), Chief Information Officer ("CIO"), and Chief Compliance Officer ("CCO"). The ISO and CIO roles are filled jointly by one individual, who has been with the organization for 21 years with over 25 years of experience in information technology. Our Chief Compliance Officer has been with the organization for over 37 years, with over 15 years of experience in compliance. These professionals bring diverse qualifications, certifications, and experience, ensuring a comprehensive approach to our information security initiatives. These qualifications and certifications include Certified Information Security Manager (CISM) and Certified Banking Security Manager (CBSM).

Our governance structure ensures a comprehensive approach to managing cybersecurity risks and threats, aligning with the Board-approved ISP. The ITBC, which is comprised of several Board members, the CIO, ISO, Chief Executive Officer and Chief Operating Officer, is responsible for establishing and updating the Company's Risk Appetite Statement. The ITSC, appointed by the Board of Directors and comprised of the CIO, ISO, CCO and various other representatives from each area of the Bank, is responsible for overseeing ISP compliance. This involves delineating lines of responsibility and accountability for information security risk management decisions. The ITSC also reviews and approves significant changes to our control environments, ensuring that outside independent organizations conduct annual vulnerability assessments and penetration tests. Furthermore, they examine reports submitted by the ISO.

The ISO is responsible for reporting, at least annually, to the Board of Directors on the status of the ISP, including overall compliance, risk management, vendor management, audit and testing results, breaches and incidents, and recommended updates to the ISP. The Board also receives quarterly cybersecurity briefings that include updates on emerging threats, results of cybersecurity risk assessments, and the effectiveness of current controls. These discussions inform strategic decision-making and resource allocation for cybersecurity investments.

Item 2. Properties

We currently operate out of our corporate headquarters/financial center and 13 full-service offices, 12 of which are owned by us and one of which is leased, as well as one drive through facility used for existing customer transaction purposes, which is also leased. As of December 31, 2025, the net book value of our real properties, including land, was \$13.4 million. See also Note 7 in the Notes to Consolidated Financial Statements contained in Item 8 of this report on Form 10-K. In the opinion of management, the facilities are adequate and suitable for our current needs. We may open additional banking offices to better serve current clients and to attract new clients in subsequent years.

Item 3. Legal Proceedings

We are not involved in any pending legal proceedings as a plaintiff or defendant other than routine legal proceedings occurring in the ordinary course of business, and at December 31, 2025, we were not involved in any legal proceedings the outcome of which would be material to our financial condition or results of operations.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The common stock of Richmond Mutual Bancorporation is listed on The Nasdaq Capital Market under the symbol "RMBI." There were approximately 418 shareholders of record of our common stock as of March 23, 2026.

Our cash dividend payout policy is reviewed regularly by management and the Board of Directors. During the year ended December 31, 2025, the Company paid cash dividends equal to \$0.60 per common share. Any dividends declared and paid in the future would depend upon a number of factors, including capital requirements, our financial condition and results of operations, tax considerations, statutory and regulatory limitations, and general economic conditions. No assurances can be given that any dividends will be paid or that, if paid, will not be reduced or eliminated in future periods. Our future payment of dividends may depend, in part, upon receipt of dividends from First Bank Richmond, which are restricted by federal regulations.

Equity Compensation Plan Information. The equity compensation plan information presented in Part III, Item 12 of this Form 10-K is incorporated herein by reference.

Issuer Purchases of Equity Securities. The following table sets forth information with respect to our repurchases of our outstanding common shares during the three months ended December 31, 2025:

	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs ⁽¹⁾
October 1, 2025 - October 31, 2025	—	\$ —	—	—
November 1, 2025 - November 30, 2025	—	—	—	—
December 1, 2025 - December 31, 2025	—	—	—	—
	<u>—</u>	<u>\$ —</u>	<u>—</u>	

(1) The Company did not have a publicly announced stock repurchase program in place during the quarter ended December 31, 2025.

Item 6. [Reserved]

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this Form 10-K may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact and are based on certain assumptions and expectations regarding future events. These statements are generally identified by words such as "believes," "expects," "anticipates," "estimates," "forecasts," "intends," "plans," "targets," "potentially," "probably," "projects," "outlook," or similar expressions, or by future or conditional verbs such as "may," "will," "should," "would," or "could." These forward-looking statements include, but are not limited to:

- statements of our goals, intentions and expectations;
- statements regarding our business plans, prospects, growth and operating strategies;
- statements regarding the quality of our loan, lease, and investment portfolios;

- statements regarding the expected benefits of proposed transactions, including our proposed merger with Farmers Bancorp; and
- estimates of our risks and future costs and benefits.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date made. These statements are based on our current beliefs and expectations and are inherently subject to significant business, economic, competitive, and regulatory uncertainties and contingencies, many of which are beyond our control. They are also subject to assumptions regarding future business strategies and decisions that are subject to change.

Important factors that could cause our actual results to differ materially from the results anticipated or projected, include, but are not limited to, the following:

- adverse impacts to economic conditions in our local market areas and other markets where we have lending relationships;
- effects of employment levels, labor shortages and inflation, a recession, or slowed economic growth;
- changes in the interest rate levels and volatility, and the timing and pace of such changes including actions by the Federal Reserve in response thereto;
- the impact of inflation and the monetary and fiscal policy responses thereto, and their impact on consumer and business behavior;
- the effects of a federal government shutdown, debt ceiling standoff, or other fiscal policy uncertainty;
- changes in the level and direction of loan or lease delinquencies and write-offs and changes in estimates of the adequacy of the allowance for credit losses;
- our ability to access cost-effective funding including maintaining the confidence of depositors;
- unexpected outflows of uninsured deposits may require us to sell investment securities at a loss;
- fluctuations in real estate values, and residential, commercial, and multi-family real estate market conditions;
- competitive pressures among depository institutions, including repricing and competitors' pricing initiatives, and their impact on our market position, loan, and deposit products;
- our ability to implement and change our business strategies;
- competition among depository and other financial institutions and equipment financing companies;
- the impact of bank failures or other adverse developments at banks and related negative publicity about the banking industry in general on investor and depositor sentiment;
- inflation and changes in the interest rate environment that reduce our margins and yields, our mortgage banking revenues, the fair value of financial instruments or our level of loan originations, or increase the level of defaults, losses and prepayments on our loans and leases;
- adverse changes in the securities or secondary mortgage markets;
- changes in the quality or composition of our loan, lease or investment portfolios;
- our ability to keep pace with technological changes, including our ability to identify and address cyber-security risks such as data security breaches, "denial of service" attacks, "hacking" and identity theft, and other attacks on our information technology systems or on our third-party vendors;
- results of examinations by regulatory authorities and potential requirements to increase credit loss allowances, write-down assets, reclassify assets, change our regulatory capital position, or affect our liquidity and earnings;

- the inability of third-party providers to perform as expected;
- our ability to manage market risk, credit risk and operational risk in the current economic environment;
- our ability to enter new markets successfully and capitalize on growth opportunities;
- our ability to attract and retain key employees;
- changes in the financial condition, results of operations or future prospects of issuers of securities that we own;
- our ability to successfully integrate into our operations any assets, liabilities, customers, systems and management personnel we may acquire and our ability to realize related revenue synergies and cost savings within expected time frames, and any goodwill charges related thereto;
- changes in consumer spending, borrowing and savings habits;
- changes in accounting policies and practices, as may be adopted by banking regulatory agencies, the Financial Accounting Standards Board, the Securities and Exchange Commission ("SEC") or the Public Company Accounting Oversight Board, including additional guidance and interpretation on accounting issues and details of the implementation of new accounting methods;
- legislative or regulatory changes, including but not limited to shifts in capital requirements, banking regulation, tax laws, or consumer protection laws;
- our ability to pay dividends on our common stock;
- our ability to adapt to rapid technological changes, including advancements related to artificial intelligence, digital banking platforms, and cybersecurity;
- geopolitical developments and international conflicts, or the imposition of new or increased tariffs and trade restrictions, which may disrupt financial markets, global supply chains, commodity prices, or economic activity in specific industry sectors;
- other economic, competitive, governmental, regulatory, and technical factors affecting our operations, pricing, products and services;
- the effects of climate change, severe weather, natural disasters, pandemics, epidemics and other public health crises, acts of war or terrorism, domestic political unrest, and other external events; and
- the other risks described elsewhere in this Form 10 K and our other reports filed with and furnished to the U.S. Securities and Exchange Commission ("SEC").

Further, statements regarding the potential effects of the proposed merger with Farmers Bancorp on our business, financial results and condition may also constitute forward-looking statements. Actual results may differ materially due to risks and uncertainties, including:

- events, changes, or circumstances that could give rise to the right of either party to terminate the merger agreement;
- the possibility that the merger may not be completed on the anticipated terms, within the expected timeframe, or at all;
- failure to obtain required regulatory or shareholder approvals, or the imposition of conditions that could adversely affect the combined company or expected benefits;
- challenges in meeting expectations regarding the timing, completion, accounting, and tax treatment of the merger;
- the potential that anticipated cost savings, synergies, or revenue enhancements may not be realized to the extent anticipated, or at all, or may take longer to achieve;

- higher-than-expected transaction costs, integration costs, or unexpected events related to the transaction and subsequent integration;
- dilution from the issuance of additional Richmond Mutual common stock in connection with the merger;
- potential litigation or other legal proceedings related to the merger;
- restrictions during the pendency of the transaction that may limit business opportunities or strategic initiatives;
- the ability to successfully integrate operations, systems, personnel, and technologies post-merger;
- disruption to customer, employee, or vendor relationships, including key community relationships;
- diversion of management's attention from ongoing operations and strategic initiatives;
- lower-than-expected revenues or profitability following the merger;
- changes in credit, capital markets, or economic, political, or regulatory conditions;
- competition from banks and other financial service providers;
- the Company's, Farmers Bancorp's or the combined company's success at managing the risks involved in the foregoing items; and
- other factors detailed in Richmond Mutual's filings with the SEC.

These forward-looking statements are based on information known to us as of the date of this Form 10-K and speak only as of that date. We undertake no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required by law. In light of the risks and uncertainties described above, actual results may differ materially from those expressed or implied in the forward-looking statements.

Additional factors that may affect our results are discussed under Part I, Item 1A in this document under the heading "Risk Factors."

General

Our principal business consists of attracting deposits from the general public, as well as brokered deposits, and investing those funds primarily in loans secured by first mortgages on owner-occupied, one- to four-family residences, a variety of consumer loans, direct financing leases, commercial and industrial loans, and loans secured by commercial and multi-family real estate. We also obtain funds by utilizing FHLB advances. Funds not invested in loans generally are invested in investment securities, including mortgage-backed and mortgage-related securities and agency and municipal bonds. Richmond Mutual Bancorporation's primary business activities are currently limited to one significant business segment, which is community banking.

Our results of operations are primarily dependent on net interest income. Net interest income is the difference between interest income, which is the income that is earned on loans and investments, and interest expense, which is the interest that is paid on deposits and borrowings. Other significant sources of pre-tax income are service charges (mostly from service charges on deposit accounts and loan servicing fees), and fees from the sale of residential mortgage loans originated for sale in the secondary market. We may also recognize income from the sale of investment securities.

At December 31, 2025, on a consolidated basis, we had \$1.5 billion in assets, \$1.2 billion in loans, \$1.1 billion in deposits, and \$145.8 million in stockholders' equity. First Bank Richmond's risk-based capital ratio at December 31, 2025 was 14.6%, exceeding the 10.0% requirement for a well-capitalized institution. For the year ended December 31, 2025, we reported net income of \$11.6 million, compared with net income of \$9.4 million for 2024.

Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with GAAP. In doing so, we have to make estimates and assumptions. Our critical accounting estimates are those estimates that involve a significant level of uncertainty at the time the estimate was made, and changes in the estimate that are reasonably likely to occur from period to period, or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations. Accordingly, actual results could differ materially from our estimates. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis. We have reviewed our critical accounting estimates with the audit committee of our Board of Directors.

See Note 1 of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K for a summary of significant accounting policies and the effect on our financial statements.

Allowance for Credit Losses. The allowance for credit losses applies to all financial instruments carried at amortized cost. We maintain an allowance for credit losses on loans and leases based on expected future credit losses at the balance sheet date. Loan and lease losses are charged against the allowance when management believes the uncollectibility of a loan or lease balance is confirmed. Subsequent recoveries, if any, are credited to the allowance. Allocations of the allowance may be made for specific loans, but the entire allowance is available for any loan that, in our judgment, should be charged-off. A provision for credit losses for loans and leases is charged to operations based on our periodic evaluation of the necessary balance in the allowance.

Determining the appropriateness of the allowance for credit losses is complex and requires judgment by management on future factors that are unknown. We have an established process to determine the adequacy of the allowance for credit losses. The determination of the allowance is inherently subjective, as it requires significant estimates, including the amounts and timing of expected future cash flows on similarly-risked loans in their respective segments, the amounts and timing of expected future cash flows on collateral-dependent loans, movement through risk-ratings, economic forecasts, the nature and volume of the portfolio, information about specific borrower situations and estimated collateral values, economic conditions and other factors, all of which may be susceptible to significant change.

Management Strategy

We are a community-oriented financial institution dedicated to serving the needs of customers in our primary market area. Our commitment is to offer a full array of consumer and commercial banking products and services to meet the needs of our customers. We offer mortgage lending products to qualified borrowers to give them the broadest access to home ownership in our markets. We offer commercial lending products and services tailored to complement their businesses. Our goal is to maintain asset quality while continuing to build our strong capital position while looking for growth opportunities in the markets we serve. In furtherance of these objectives, we have entered into a definitive agreement to merge with Farmers Bancorp, which we believe will enhance our scale, expand our market presence, and improve our ability to serve customers across a broader geographic footprint. To achieve these goals, we will focus on the following strategies:

Lending. We believe that commercial lending offers an opportunity to enhance our profitability while managing credit, interest rate and operational risk. We seek quality commercial loan opportunities in our existing markets and purchase loan participations that complement our existing portfolios. We will continue to focus our efforts on our existing markets. In connection with our pending merger, we expect to expand our commercial and consumer lending presence into the markets served by Farmers Bancorp and evaluate opportunities to leverage combined lending expertise and customer relationships. We anticipate that the majority of our commercial and multi-family real estate and commercial construction loan originations will range in size from \$1.0 million to \$8.0 million, while the majority of our commercial and industrial loan originations will range in size from \$250,000 to \$1.5 million. At December 31, 2025, our commercial loan portfolio, which includes commercial and multi-family real estate loans, commercial and industrial loans, and construction loans, totaled \$837.4 million, or 70.2% of total loans and leases, with approximately \$223.1 million of these loans, or 18.7% of our total loans and leases, located in the Columbus, Ohio market.

Deposit Services. Deposits are our primary source of funds for lending and investment. We intend to continue to focus on increasing core deposits (which we define as all deposits except for certificates of deposit of \$250,000 or more and brokered certificates of deposit) in our primary market area, with a particular emphasis on noninterest-bearing deposits. We will continue to enhance our offering of retail deposit products to maintain and increase our market share, while continuing to build our product offering of commercial deposit products to strengthen our relationships with our business customers. Following the completion of the pending acquisition, we expect to leverage the combined branch network and customer base to enhance core deposit growth and broaden our funding base. Core deposits represented 71.3% of our total deposits as of December 31, 2025.

Balance Sheet Growth. As a result of our efforts to build our management and infrastructure, we believe we are well-positioned to increase the size of our balance sheet without a proportional increase in overhead expense or operating risk. Accordingly, we intend to increase, on a managed basis, our assets and liabilities, particularly loans and deposits. The pending merger is expected to accelerate balance sheet growth and provide opportunities for cost efficiencies and operating leverage, subject to regulatory approval and successful integration.

Asset Quality. We believe that strong asset quality is a key to long-term financial success. Our strategy for credit risk management focuses on an experienced team of credit professionals, well-defined credit policies and procedures, appropriate loan underwriting criteria and active credit monitoring. Non-performing loans increased during 2025 compared to the prior year, primarily reflecting stress in certain commercial real estate relationships and the migration of a limited number of commercial credits to nonaccrual status. We are actively monitoring these credits and have taken steps, including enhanced oversight and collection efforts, to address these matters. Our non-performing loans to total loans ratio was 1.46% at December 31, 2025.

Capital Position. Our policy has always been to protect the safety and soundness of First Bank Richmond through credit and operational risk management, balance sheet strength, and sound operations. The end result of these activities has been a capital ratio in excess of the well-capitalized standards set by our regulators. We believe that maintaining a strong capital position safeguards the long-term interests of First Bank Richmond. We expect to maintain capital levels consistent with "well-capitalized" regulatory standards following the completion of the pending merger.

Interest Rate Risk Management. Changes in interest rates are our primary market risk as our balance sheet is almost entirely comprised of interest-earning assets and interest-bearing liabilities. As such, fluctuations in interest rates have a significant impact not only upon our net income but also upon the cash flows related to those assets and liabilities and the market value of our assets and liabilities. To maintain what we believe to be acceptable levels of net interest income in varying interest rate environments, we actively manage our interest rate risk and assume a moderate amount of interest rate risk consistent with board policies. We will evaluate the combined balance sheet profile following the completion of the merger to ensure continued alignment with our board-approved interest rate risk parameters.

Selected Consolidated Financial and Other Data

The Financial Condition Data and Operating Data as of and for the years ended December 31, 2025 and 2024 are derived from the audited financial statements and related notes included elsewhere in this Form 10-K. The following information is only a summary and is qualified in its entirety by the detailed information included elsewhere herein and should be read along with Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 8, "Financial Statements and Supplementary Data" of this Form 10-K.

	At December 31,	
	2025	2024
	(In thousands)	
Selected Financial Condition Data:		
Total assets	\$ 1,525,791	\$ 1,504,875
Loans and leases, net ⁽¹⁾	1,176,813	1,158,879
Securities available for sale, at fair value	251,915	258,192
Investment securities, at amortized cost	2,748	3,498
FHLB stock	13,907	13,907
Deposits	1,114,893	1,093,940
FHLB advances	240,000	265,000
Stockholders' equity	145,781	132,872

(1) Net of allowance for credit losses, loans in process and deferred loan fees.

	Years Ended December 31,	
	2025	2024
	(In thousands)	
Selected Operations Data:		
Total interest income	\$ 85,908	\$ 80,526
Total interest expense	42,062	41,819
Net interest income	43,846	38,707
Provision for credit losses	2,153	550
Net interest income after provision for credit losses	41,693	38,157
Service charges on deposit accounts	1,266	1,239
Card fee income	1,317	1,237
Loan and lease servicing fees	681	463
Gain on loan and lease sales	409	555
Loss on sales of securities	(156)	(51)
Other income	1,546	1,315
Total non-interest income	5,063	4,758
Total non-interest expenses	33,103	32,052
Income before provision for income taxes	13,653	10,863
Provision for income taxes	2,076	1,486
Net income	\$ 11,577	\$ 9,377

Selected Financial Ratios and Other Data:

Performance ratios:

Return on average assets (ratio of net income to average total assets)	0.76%	0.63%
Return on average equity (ratio of net income to average equity)	8.57%	7.03%
Yield on interest-earning assets	5.83%	5.55%
Rate paid on interest-bearing liabilities	3.34%	3.37%
Interest rate spread information:		
Average during period	2.49%	2.18%
End of period	2.45%	2.15%
Net interest margin ⁽¹⁾	2.97%	2.67%
Operating expense to average total assets	2.19%	2.15%
Average interest-earning assets to average interest-bearing liabilities	117.04%	116.96%
Efficiency ratio ⁽²⁾	67.68%	73.74%

Asset quality ratios:

Non-performing assets to total assets ⁽³⁾	1.14%	0.45%
Non-performing loans and leases to total gross loans and leases ⁽⁴⁾	1.46%	0.58%
Allowance for credit losses on loans and leases to non-performing loans and leases ⁽⁴⁾	94.64%	232.99%
Allowance for credit losses on loans and leases to total gross loans and leases	1.38%	1.34%
Net charge-offs to average outstanding loans and leases during the period	0.14%	0.13%

Capital ratios:

Common equity tier 1 capital (to risk weighted assets) ⁽⁵⁾	13.38%	12.98%
Tier 1 leverage (core) capital (to adjusted tangible assets) ⁽⁵⁾	10.95%	10.75%
Tier 1 risk-based capital (to risk weighted assets) ⁽⁵⁾	13.38%	12.98%
Total risk-based capital (to risk weighted assets) ⁽⁵⁾	14.64%	14.23%
Equity to total assets at end of period	9.55%	8.83%
Average equity to average assets	8.92%	8.93%

Per share data:

Basic earnings per share	\$ 1.20	\$ 0.93
Diluted earnings per share	1.17	0.92
Cash dividends paid	0.60	0.56
Book value at year end	13.88	12.29
Tangible book value at year end ⁽⁶⁾	13.88	12.29

Other data:

Number of full-service offices	13	12
Full-time equivalent employees	180	173

(1) Net interest income divided by average interest earning assets.

(2) Total non-interest expenses as a percentage of net interest income and total non-interest income.

(3) Non-performing assets consist of nonaccrual loans and leases, accruing loans and leases more than 90 days past due, and foreclosed assets.

(4) Non-performing loans and leases consist of nonaccrual loans and leases and accruing loans and leases more than 90 days past due.

(5) Capital ratios are for First Bank Richmond.

(6) Tangible book value per share is a non-GAAP measure used by management and others within the financial services industry. Tangible book value per share is calculated by dividing tangible common equity by the number of shares outstanding.

Financial Condition at December 31, 2025 Compared to December 31, 2024

General. Total assets increased \$20.9 million, or 1.4%, to \$1.5 billion at December 31, 2025 from December 31, 2024. The increase was driven by a \$17.9 million, or 1.5%, increase in the loan and lease portfolio, net of allowance for credit losses on loans and leases, partially offset by a \$7.0 million, or 2.7% decrease in investment securities. The increase in loans and leases was primarily funded by a \$21.0 million, or 1.9%, increase in deposits, driven largely by growth in core retail deposit categories and a reduction in reliance on brokered deposits.

Loans and Leases. Our loan and lease portfolio, net of allowance for credit losses on loans and leases, increased \$17.9 million, or 1.5%, to \$1.2 billion at December 31, 2025 from \$1.2 billion at December 31, 2024. The majority of the growth occurred in commercial real estate loans which increased \$42.6 million, or 11.5%, to \$414.3 million, and in multi-family loans which increased \$23.0 million, or 12.4%, to \$208.9 million at December 31, 2025 compared to the prior year. We also experienced a \$16.1 million, or 12.8%, increase in commercial and industrial loans, and a \$1.7 million, or 0.9%, increase in residential real estate loans (including home equity lines of credit), which was attributable to a \$3.3 million increase in home equity lines of credit, partially offset by a \$1.6 million decrease in residential mortgage loans. Offsetting these increases were a \$60.7 million, or 45.9%, decrease in construction and development loans, a \$2.3 million, or 1.6%, decrease in direct financing leases, and a \$1.9 million, or 9.1%, decrease in consumer loans. The decrease in construction and development loans was primarily due to completed projects converting to permanent financing.

The following table presents information concerning the composition of our loan and lease portfolio in dollar amounts and in percentages (before deductions for loans in process, deferred fees and discounts and allowances for credit losses on loans and leases) as of the dates indicated.

	At December 31,			
	2025		2024	
	Amount	Percent	Amount	Percent
	(Dollars in thousands)			
Real estate loans:				
Residential mortgage ⁽¹⁾	\$ 171,063	14.33 %	\$ 172,644	14.69 %
Home equity lines of credit	20,147	1.69	16,826	1.43
Multi-family	208,894	17.50	185,864	15.81
Commercial mortgage	414,316	34.71	371,705	31.63
Construction and development	71,705	6.01	132,570	11.28
Total real estate loans	886,125	74.23	879,609	74.84
Consumer loans	19,280	1.62	21,218	1.81
Commercial business loans and leases:				
Commercial and industrial	142,508	11.94	126,367	10.75
Leases	145,806	12.21	148,102	12.60
Total commercial business loans and leases	288,314	24.15	274,469	23.35
Total loans and leases	1,193,719	100.00 %	1,175,296	100.00 %
Less:				
Deferred fees and discounts	440		626	
Allowance for credit losses on loans and leases	16,466		15,791	
Total loans and leases, net	\$ 1,176,813		\$ 1,158,879	

(1) Includes \$8.6 million and \$8.3 million of loans secured by second mortgages on residential properties at December 31, 2025 and 2024, respectively.

Nonperforming loans and leases, consisting of nonaccrual loans and leases and accruing loan and leases 90 days or more past due, totaled \$17.4 million, or 1.46% of total loans and leases at December 31, 2025, compared to \$6.8 million, or 0.58% of total loans and leases at December 31, 2024. Nonaccrual loans and leases totaled \$13.2 million at December 31, 2025, compared to \$5.1 million at December 31, 2024. The increase was primarily attributable to one commercial real estate loan of \$6.7 million, which had a loan-to-value ratio of approximately 32.2% and was in the process of foreclosure proceedings. Accruing loans and leases past due 90 days or more totaled \$4.2 million at December 31, 2025, up from \$1.7 million at December 31, 2024. The increase was largely due to one multi-family loan of \$2.4 million that became 90 days past due during 2025 but remained accruing at December 31, 2025 due to an anticipated payoff. The loan was placed on nonaccrual status in early 2026 as a result of no payment being received by the bank.

Allowance for Credit Losses. The allowance for credit losses on loans and leases totaled \$16.5 million, or 1.38% of total loans and leases outstanding at December 31, 2025, compared to \$15.8 million, or 1.34%, of total loans and leases at December 31, 2024. Net charge-offs during 2025 were \$1.7 million, compared to net charge-offs of \$1.5 million during 2024. The Company's allowance for credit losses on unfunded commitments, which is reported in other liabilities on the Condensed Consolidated Balance Sheets, totaled \$328,000 and \$558,000 at December 31, 2025 and December 31, 2024, respectively. The decrease in the allowance for credit losses on unfunded commitments was primarily due to lower unfunded loan commitments.

Management regularly analyzes conditions within its geographic markets and evaluates its loan and lease portfolio. The Company evaluated its exposure to potential loan and lease losses as of December 31, 2025, which evaluation included consideration of a potential recession due to inflation, stock market volatility, and overall geopolitical tensions. Credit metrics are being reviewed and stress testing is being performed on the loan portfolio on an ongoing basis. Potentially higher risk segments of the portfolio, such as hotels and restaurants, are being closely monitored.

Investment Securities. Investment securities decreased \$7.0 million, or 2.7%, to \$254.7 million at December 31, 2025, from \$261.7 million at December 31, 2024. The decrease was primarily due to maturities and paydowns of securities of \$19.3 million and the sale of \$6.8 million of available-for-sale securities, partially offset by a \$14.2 million upward mark-to-market adjustment in the fair value of securities available for sale due to a reduction in market rates of interest.

Deposits. Total deposits increased \$21.0 million, or 1.9%, to \$1.1 billion at December 31, 2025 compared to December 31, 2024. This increase was primarily due to increases in retail (non-brokered) time deposits of \$26.0 million, or 9.0%, savings and money market accounts of \$18.0 million, or 6.0%, and interest-bearing demand deposits of \$8.6 million, or 6.3%. These increases were partially offset by a decrease of \$21.6 million, or 8.4%, in brokered time deposits, and a \$10.0 million, or 10.0%, decrease in noninterest-bearing demand deposits. At December 31, 2025, brokered deposits equaled \$235.9 million, or 21.2% of total deposits compared to \$257.6 million, or 23.5% of total deposits at December 31, 2024. At December 31, 2025, noninterest-bearing deposits totaled \$100.1 million, or 9.0% of total deposits, compared to \$110.1 million, or 10.1%, of total deposits at December 31, 2024.

As of December 31, 2025, approximately \$268.2 million of our deposit portfolio, or 24.1% of total deposits, excluding collateralized public deposits, was uninsured. The uninsured amounts are estimated based on the methodologies and assumptions used for First Bank Richmond's regulatory reporting requirements.

Borrowings. Borrowings, consisting primarily of FHLB advances, totaled \$252.0 million at December 31, 2025, compared to \$265.0 million at December 31, 2024. In addition to FHLB advances, other borrowings, consisting entirely of federal funds purchased, totaled \$12.0 million at December 31, 2025. There were no federal funds purchased at December 31, 2024.

Stockholders' Equity. Stockholders' equity totaled \$145.8 million at December 31, 2025, an increase of \$12.9 million, or 9.7%, from December 31, 2024. The increase in stockholders' equity primarily was the result of net income of \$11.6 million and an \$11.2 million decrease in Accumulated Other Comprehensive Loss ("AOCL"), partially offset by the payment of \$5.8 million in dividends to Company stockholders and the repurchase of \$5.6 million of Company common stock. The decrease in AOCL was primarily due to increases in mark-to-market values associated with our available for sale investment securities portfolio, resulting from a reduction in market rates of interest. At December 31, 2025, the available for sale portfolio had a net unrealized loss of \$43.7 million compared to a net unrealized loss of \$58.0 million at December 31, 2024. The AOCL impact to equity, after tax effecting the unrealized loss, was \$34.6 million at December 31, 2025, compared to \$45.8 million at December 31, 2024. First Bank Richmond was considered "well-capitalized" as defined by all regulatory standards as of December 31, 2025.

Comparison of Results of Operations for the Years Ended December 31, 2025 and 2024

General. Net income totaled \$11.6 million for 2025 compared to \$9.4 million in 2024, an increase of \$2.2 million or 23.5%. The increase in net income was due to a \$5.1 million, or 13.3%, increase in net interest income and a \$304,000 increase in noninterest income, partially offset by a \$1.6 million, or 291.3%, increase in provision for credit losses, a \$1.1 million, or 3.3%, increase in noninterest expense, and a \$590,000, or 39.7%, increase in income tax expense.

Interest Income. Total interest income for 2025 increased \$5.4 million, or 6.7%, over 2024. The increase primarily was a result of a 28 basis point increase in the average yield on interest earning assets, alongside a \$22.3 million increase in the average balance of interest earning assets. Interest earned on loans and leases increased \$5.8 million, or 8.1%, due to a \$37.9 million increase in the average balance of and a 29 basis point increase in the average yield earned on loans and leases. Interest earned on investment securities, excluding FHLB stock, decreased \$401,000, or 5.8%, due to an \$18.9 million decrease in the average balance of the portfolio. Dividends on FHLB stock increased \$4,000 during 2025 compared to the prior year. The average yield on FHLB stock during 2025 and 2024 was 8.89%, while the average balance of FHLB stock outstanding during 2025 and 2024 was \$13.9 million. Interest on cash and cash equivalents decreased \$9,000 due to a 74 basis point decrease in the average yield, partially offset by a \$3.2 million increase in the average balance.

Interest Expense. Total interest expense increased \$242,000, or 0.6%, to \$42.1 million during 2025 compared to \$41.8 million during 2024. The increase primarily was the result of an increase in the average rate paid on borrowings, and an increase in average balance of borrowings and savings and money market accounts. The average rate paid on borrowings, consisting primarily of FHLB advances, increased 20 basis points to 4.13% from 3.93% in 2024, while the average balance of borrowings increased \$6.1 million, or 2.4%, to \$262.1 million in 2025 compared to \$256.0 million in 2024, resulting in a \$745,000 increase in interest expense. The average rate paid on savings and money market accounts decreased nine basis points to 2.30% from 2.39% in 2024, while the average balance of those accounts increased \$26.3 million, or 9.2%, to \$312.3 million in 2025 compared to \$285.9 million in 2024, resulting in a \$341,000 increase in interest expense. The average balance of certificate of deposit accounts decreased \$13.5 million, or 2.4%, to \$543.7 million in 2025 from \$557.2 million in 2024, while the average rate paid on certificate of deposit accounts decreased three basis points to 4.15% in 2025 from 4.18% in 2024, resulting in a \$742,000 decrease in interest expense. The average balance of interest-bearing checking accounts decreased \$748,000, or 0.5%, to \$141.2 million in 2025 from \$141.9 million in 2024, while the average rate paid on interest-bearing checking accounts decreased six basis points to 1.07% in 2025 from 1.13% in 2024, resulting in a \$102,000 decrease in interest expense.

Net Interest Income. Net interest income before the provision for credit losses increased \$5.1 million, or 13.3%, to \$43.8 million in 2025 compared to \$38.7 million in 2024, primarily due to a 31 basis point increase in the average interest rate spread, and a \$4.1 million increase in average net earning assets. The improved spread reflects a favorable shift in asset yields outpacing the increase in funding costs, as loans and investment securities repriced or were originated at higher market rates.

Net interest margin was 2.97% for 2025, compared to 2.67% for 2024. The increase in net interest margin was primarily driven by higher yields on interest-earning assets and, to a lesser extent, lower rates paid on interest-bearing liabilities. This margin expansion was supported by growth in higher-yielding asset categories, particularly commercial and multi-family loans.

During 2025, interest rate trends were influenced by monetary policy actions taken by the Federal Open Market Committee ("FOMC") of the Federal Reserve. In the second half of calendar 2025, the FOMC reduced the target range for the federal funds rate three times, most recently to a range of 3.50% to 3.75% at December 31, 2025. Despite the decline in market rates, asset yields increased due to the origination of new loans at higher rates and upward repricing of adjustable-rate loans. At the same time, funding costs declined at a slower pace, which moderated the overall benefit to our net interest margin.

Provision for Credit Losses. The provision for credit losses in 2025 was \$2.2 million, a \$1.6 million, or 291.3%, increase compared to \$550,000 in 2024. The provision for credit losses reflects the amount required to maintain the allowance for credit losses at an appropriate level based upon management's evaluation of the adequacy of collective and individual loss reserves and reflects higher required reserves driven by the significant increase in nonperforming loans during 2025. Additionally, growth in the commercial real estate, multi-family, and commercial and industrial loan portfolios increased the allowance, as these portfolios generally carry higher reserve requirements relative to other segments. Net charge-offs during 2025 were \$1.7 million, compared to net charge-offs of \$1.5 million in 2024. The allowance for credit losses on loans and leases as a percentage of the total loan and lease portfolio was 1.38% at year-end 2025, compared to 1.34% at year-end 2024. Net charge-offs in 2025 equaled 0.14% of total average loans and leases outstanding compared to net charge-offs of 0.13% of total average loans and leases outstanding in 2024.

Non-interest Income. Total non-interest income increased \$304,000, or 6.4%, to \$5.1 million for 2025 compared to \$4.8 million for 2024. The increase was primarily driven by an increase in other income and loan and lease servicing fees. Other income increased \$230,000, or 17.5%, to \$1.5 million in 2025 as compared to 2024, due to increased wealth management income. Loan and lease servicing fees increased \$217,000, or 46.9%, to \$681,000 in 2025 as compared to 2024, due to increased fees from the payoff of serviced loans. Partially offsetting these increases were net losses recognized on the sale of securities available-for-sale of \$156,000, compared to net losses of \$51,000 recognized in 2024. Net gains on loan and lease sales decreased \$145,000, or 26.2%, to \$409,000 in 2025 as compared to 2024, due to reduced mortgage banking activity.

Non-interest Expenses. Total non-interest expense increased \$1.1 million, or 3.3%, to \$33.1 million during 2025 compared to 2024, primarily due to increases in other expenses, salaries and employee benefits, data processing fees, and net occupancy expenses, partially offset by a decrease in deposit insurance expense.

Other expenses increased \$836,000, or 22.9%, to \$4.5 million in 2025 from \$3.7 million in 2024, primarily due to \$467,000 of merger-related expenses associated with the pending acquisition of Farmers Bancorp, as well as one-time expenses associated with contract negotiations related to the renewal of our core service provider agreement. Salaries and employee benefits increased \$196,000, or 1.1%, to \$18.5 million in 2025 from \$18.3 million in 2024, primarily due to annual merit increases and increased staffing to support business growth and operational needs. Data processing fees increased \$174,000, or 4.8%, to \$3.8 million in 2025 from \$3.6 million in 2024, primarily due to increased software implementation and technology upgrade expenses. Net occupancy expenses increased \$101,000, or 7.4%, to \$1.5 million in 2025 from \$1.4 million in 2024, primarily due to increased building maintenance expenses. Deposit insurance expense decreased \$337,000, or 22.0%, to \$1.2 million in 2025 from \$1.5 million in 2024, due to shifts in the Bank's asset and deposit mix and related assessments. Equipment expenses increased \$74,000, or 8.0%, to \$1.0 million in 2025 from \$927,000 in 2024, primarily due to equipment expenses associated with our Columbus, Ohio branch opening.

Income Tax Expense. Income tax expense increased \$590,000 in 2025 compared to 2024. This increase in income tax expense was primarily due to pretax income increasing \$2.8 million, or 25.7%. The effective tax rate for the year ended 2025 was 15.2% compared to 13.7% in 2024.

Average Balances, Interest and Average Yields/Cost

The following tables set forth for the periods indicated, information regarding average balances of assets and liabilities as well as the total dollar amounts of interest income from average interest-earning assets and interest expense on average interest-bearing liabilities, resultant yields, interest rate spread, net interest margin (otherwise known as net yield on interest-earning assets), and the ratio of average interest-earning assets to average interest-bearing liabilities. Average balances have been calculated using daily balances. Average balances of loans and leases receivable include loans held for sale. Non-accruing loans have been included in the table as loans carrying a zero yield. Loan fees are included in interest income on loans and are not material.

	Years Ended December 31,					
	2025			2024		
	Average Balance Outstanding	Interest Earned/ Paid	Yield/ Rate	Average Balance Outstanding	Interest Earned/ Paid	Yield/ Rate
(Dollars in thousands)						
Interest-earning assets:						
Loans and leases receivable	\$1,183,896	\$ 77,383	6.54 %	\$1,145,973	\$ 71,596	6.25 %
Securities	254,838	6,470	2.54 %	273,706	6,871	2.51 %
FHLB stock	13,907	1,236	8.89 %	13,863	1,232	8.89 %
Cash and cash equivalents and other	21,224	818	3.85 %	18,002	827	4.59 %
Total interest-earning assets	1,473,865	85,907	5.83 %	1,451,544	80,526	5.55 %
Non-earning assets	39,869			41,860		
Total assets	1,513,734			1,493,404		
Interest-bearing liabilities:						
Savings and money market accounts	312,272	7,174	2.30 %	285,946	6,833	2.39 %
Interest-bearing checking accounts	141,154	1,507	1.07 %	141,902	1,609	1.13 %
Certificate accounts	543,714	22,567	4.15 %	557,216	23,309	4.18 %
Borrowings	262,099	10,813	4.13 %	255,969	10,068	3.93 %
Total interest-bearing liabilities	1,259,239	42,061	3.34 %	1,241,033	41,819	3.37 %
Noninterest-bearing demand deposits	105,426			105,356		
Other liabilities	13,971			13,696		
Stockholders' equity	135,098			133,319		
Total liabilities and stockholders' equity	1,513,734			1,493,404		
Net interest income		\$ 43,846			\$ 38,707	
Net earning assets	\$ 214,626			\$ 210,511		
Net interest rate spread ⁽¹⁾			2.49 %			2.18 %
Net interest margin ⁽²⁾			2.97 %			2.67 %
Average interest-earning assets to average interest-bearing liabilities	117.04 %			116.96 %		

(1) Net interest rate spread represents the difference between the weighted average yield on interest-earning assets and the weighted average rate of interest-bearing liabilities.

(2) Net interest margin represents net interest income divided by average total interest-earning assets.

Rate/Volume Analysis

The following schedule presents the dollar amount of changes in interest income and interest expense for major components of interest-earning assets and interest-bearing liabilities. It distinguishes between the changes related to outstanding balances and that due to the changes in interest rates. For each category of interest-earning assets and interest-bearing liabilities, information is provided on changes attributable to (i) changes in volume (i.e., changes in volume multiplied by old rate) and (ii) changes in rate (i.e., changes in rate multiplied by old volume). For purposes of this table, changes attributable to both rate and volume, which cannot be segregated, have been allocated proportionately to the change due to volume and the change due to rate.

	Years Ended December 31,		
	2025 vs. 2024		
	Increase/ (decrease) due to		Total increase/ (decrease)
	Volume	Rate	
	(In thousands)		
Interest-earning assets:			
Loans and leases receivable	\$ 2,364	\$ 3,423	\$ 5,787
Securities	(478)	77	(401)
FHLB stock	4	—	4
Cash and cash equivalents and other	146	(155)	(9)
Total interest-earning assets	<u>\$ 2,036</u>	<u>\$ 3,345</u>	<u>\$ 5,381</u>
Interest-bearing liabilities:			
Savings and money market accounts	\$ 616	\$ (275)	\$ 341
Interest-bearing checking accounts	(9)	(93)	(102)
Certificate accounts	(576)	(166)	(742)
Borrowings	235	510	745
Total interest-bearing liabilities	<u>\$ 266</u>	<u>\$ (24)</u>	<u>\$ 242</u>
Change in net interest income			<u>\$ 5,139</u>

Capital and Liquidity

Capital. Shareholders' equity totaled \$145.8 million at December 31, 2025 and \$132.9 million at December 31, 2024. In addition to net income of \$11.6 million, other sources of capital during 2025 included an \$11.2 million decrease in AOCL, \$738,000 related to the allocation of ESOP shares during the year, and \$816,000 related to stock-based compensation. The decrease in AOCL primarily was due to the improvement in mark-to-market values associated with the Company's available-for-sale investment securities portfolio. Uses of capital during 2025 included \$5.8 million of dividends paid on common stock and \$5.6 million of stock repurchases.

We paid regular quarterly cash dividends of \$0.15 per common share during 2025, compared to \$0.14 per common share in 2024. This equates to a dividend payout ratio of 50.4% in 2025 and 60.8% in 2024. We currently expect to continue the current practice of paying quarterly cash dividends on common stock subject to the Board of Directors' discretion to modify or terminate this practice at any time and for any reason without prior notice. Assuming continued payment during 2026 at the current dividend rate of \$0.15 per share, our average total dividend paid each quarter would be approximately \$1.6 million based on the number of our current outstanding shares at December 31, 2025. The amount of dividends, if any, we may pay may be limited as more fully discussed in "Note 18: Dividend and Capital Restrictions" and "Note 19: Regulatory Capital" in the accompanying notes to consolidated financial statements contained in Item 8 of this Form 10-K.

Stock Repurchase Plans. From time to time, our Board of Directors has authorized stock repurchase plans. In general, stock repurchase plans allow us to proactively manage our capital position and return excess capital to shareholders. Shares purchased under such plans also provide us with shares of common stock necessary to satisfy obligations related to stock compensation awards. On June 6, 2023, the Company announced that the Board of Directors approved an amendment to the Company's existing stock repurchase program authorizing the purchase of up to 321,386 shares of the Company's issued and outstanding common stock in addition to the 827,554 shares that remained available for the repurchase at that date under the existing program, and extended the stock repurchase program's expiration date to June 6, 2024, unless completed sooner. On May 16, 2024, the Company announced that the Board of Directors approved an extension of the Company's existing stock repurchase program, which expired on June 6, 2025.

As of December 31, 2025, the Company did not have a publicly announced stock repurchase program in place. See Part II, Item 5 - "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities."

Liquidity. Liquidity measures the ability to meet current and future cash flow needs as they become due. The liquidity of a financial institution reflects its ability to meet loan requests, to accommodate possible outflows in deposits and to take advantage of interest rate market opportunities. The ability of a financial institution to meet its current financial obligations is a function of its balance sheet structure, its ability to liquidate assets and its access to alternative sources of funds. The objective of our liquidity management is to manage cash flow and liquidity reserves so that they are adequate to fund our operations and to meet obligations and other commitments on a timely basis and at a reasonable cost. We seek to achieve this objective and ensure that funding needs are met by maintaining an appropriate level of liquid funds through asset/liability management, which includes managing the mix and time to maturity of financial assets and financial liabilities on our balance sheet. Our liquidity position is enhanced by our ability to raise additional funds as needed in the wholesale markets.

Asset liquidity is provided by liquid assets which are readily marketable or pledgeable or which will mature in the near future. Liquid assets generally include cash, interest-bearing deposits in banks, securities available for sale, maturities and cash flow from securities held to maturity, sales of fixed rate residential mortgage loans in the secondary market, and federal funds sold and resell agreements. Liability liquidity generally is provided by access to funding sources which include core deposits and advances from the FHLB and other borrowing relationships with third party financial institutions.

Our liquidity position is continuously monitored and adjustments are made to the balance between sources and uses of funds as deemed appropriate. Liquidity risk management is an important element in our asset/liability management process. We regularly model liquidity stress scenarios to assess potential liquidity outflows or funding problems resulting from economic disruptions, volatility in the financial markets, unexpected credit events or other significant occurrences deemed problematic by management. These scenarios are incorporated into our contingency funding plan, which provides the basis for the identification of our liquidity needs.

As of December 31, 2025, we had approximately \$21.4 million held in an interest-bearing account at the Federal Reserve. We also have the ability to borrow funds as a member of the FHLB. As of December 31, 2025, based upon available, pledgeable collateral, our total remaining borrowing capacity with the FHLB was approximately \$129.2 million. Furthermore, at December 31, 2025, we had approximately \$139.8 million in securities that were unencumbered by a pledge and could be used to support additional borrowings through repurchase agreements or the Federal Reserve discount window, as needed. As of December 31, 2025, management is not aware of any events that are reasonably likely to have a material adverse effect on our liquidity, capital resources or operations. In addition, management is not aware of any regulatory recommendations regarding liquidity that would have a material adverse effect on us.

In the ordinary course of business we have entered into contractual obligations and have made other commitments to make future payments. Refer to the accompanying notes to consolidated financial statements elsewhere in this report for the expected timing of such payments as of December 31, 2025. These include payments related to (i) long-term borrowings (Note 12: Borrowings), (ii) time deposits with stated maturity dates (Note 11: Deposits) and (iii) commitments to extend credit and standby letters of credit (Note 15: Commitments and Contingent Liabilities).

We also incur capital expenditures on an ongoing basis to expand and improve our product offerings, enhance and modernize our technology infrastructure, and to introduce new technology-based products to compete effectively in our markets. We evaluate capital expenditure projects based on a variety of factors, including expected strategic impacts (such as forecasted impact on revenue growth, productivity, expenses, service levels and customer retention) and our expected return on investment. The amount of capital investment is influenced by, among other things, current and projected demand for our services and products, cash flow generated by operating activities, cash required for other purposes and regulatory

considerations. Based on our current capital allocation objectives for 2026, management does not expect cash expenditures for capital investment in premises and equipment to have a material effect on our liquidity, capital resources or operations.

Richmond Mutual Bancorporation is a separate legal entity from First Bank Richmond and must provide for its own liquidity. In addition to its own operating expenses, Richmond Mutual Bancorporation is responsible for paying for any stock repurchases, dividends declared to its stockholders, and other general corporate expenses. Since Richmond Mutual Bancorporation is a holding company and does not conduct operations, its primary sources of liquidity are interest on investment securities purchased with proceeds from our initial public offering, dividends upstreamed from First Bank Richmond, and borrowings from outside sources. Banking regulations may limit the amount of dividends that may be paid to us by First Bank Richmond. "Note 19: Regulatory Capital" in the accompanying notes to consolidated financial statements contained in Part II, Item 8 and "How We Are Regulated - Dividends" contained in Part I, Item I of this Form 10-K. At December 31, 2025, Richmond Mutual Bancorporation, on an unconsolidated basis, had \$3.0 million in cash, noninterest-bearing deposits, and liquid investments generally available for its cash needs.

See also the "Consolidated Statements of Cash Flows" included in "Item 8. Financial Statements and Supplementary Data" of this Form 10-K for further information.

Regulatory Capital Requirements. First Bank Richmond is subject to minimum capital requirements imposed by the FDIC. The FDIC may require us to have additional capital above the specific regulatory levels if it believes we are subject to increased risk due to asset problems, high interest rate risk and other risks. At December 31, 2025, First Bank Richmond's regulatory capital exceeded the FDIC regulatory requirements, and First Bank Richmond was well-capitalized under regulatory prompt corrective action standards. Consistent with our goals to operate a sound and profitable organization, our policy is for First Bank Richmond to maintain well-capitalized status.

	<u>Actual</u>		<u>Minimum for Capital Adequacy Purposes</u>		<u>Minimum to be Categorized as "Well-Capitalized" Under Prompt Corrective Action Provisions</u>	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2025						
(Dollars in thousands)						
Total risk-based capital (to risk weighted assets)	\$ 186,532	14.6 %	\$ 101,960	8.0 %	\$ 127,451	10.0 %
Tier 1 risk-based capital (to risk weighted assets)	170,591	13.4	76,470	6.0	101,960	8.0
Common equity tier 1 capital (to risk weighted assets)	170,591	13.4	57,353	4.5	82,843	6.5
Tier 1 leverage (core) capital (to adjusted tangible assets)	170,591	11.0	62,290	4.0	77,862	5.0
As of December 31, 2024						
Total risk-based capital (to risk weighted assets)	\$ 181,415	14.2 %	\$ 102,014	8.0 %	\$ 127,518	10.0 %
Tier 1 risk-based capital (to risk weighted assets)	165,471	13.0	76,511	6.0	102,014	8.0
Common equity tier 1 capital (to risk weighted assets)	165,471	13.0	57,383	4.5	82,887	6.5
Tier 1 leverage (core) capital (to adjusted tangible assets)	165,471	10.7	61,579	4.0	76,974	5.0

Pursuant to the capital regulations of the FDIC and the other federal banking agencies, First Bank Richmond must maintain a capital conservation buffer consisting of additional common equity tier 1 (“CET1”) capital greater than 2.5% of risk-weighted assets above the required minimum levels of risk-based CET1 capital, tier 1 capital and total capital in order to avoid limitations on paying dividends, repurchasing shares, and paying discretionary bonuses. At December 31, 2025, the Bank’s CET1 capital exceeded the required capital conservation buffer.

For a bank holding company with less than \$3.0 billion in assets, the capital guidelines apply on a bank only basis and the Federal Reserve Board expects the holding company’s subsidiary banks to be well capitalized under the prompt corrective action regulations. If Richmond Mutual Bancorporation was subject to regulatory guidelines for bank holding companies with \$3.0 billion or more in assets, at December 31, 2025, it would have exceeded all regulatory capital requirements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Management of Market Risk

Our most significant form of market risk is interest rate risk as the majority of our assets and liabilities are sensitive to changes in interest rates. A principal part of our operations is to manage interest rate risk and limit the exposure of our financial condition and results of operations to changes in market interest rates. Our Asset/Liability Committee is responsible for evaluating the interest rate risk inherent in our balance sheet, for determining the appropriate level of risk given our business strategy, operating environment, capital and liquidity, and for managing this risk consistent with our policies and guidelines.

Our strategy attempts to manage the impact of changes in interest rates on net interest income, which is our primary source of earnings. Among the actions taken are:

- Originate commercial and commercial real estate loans, which generally have shorter terms and higher yields than owner-occupied one-to four-family residential real estate loans.
- Sell substantially all longer-term fixed-rate residential real estate loans in the secondary market.
- Cultivate stable deposit relationships with business and consumer customers.
- Acquire longer-term, fixed-rate borrowings when appropriate to reduce our sensitivity to changing interest rates.

Interest Rate Risk. The Asset/Liability Committee monitors First Bank Richmond’s interest rate risk (“IRR”) position and meets quarterly to review pricing, liquidity needs, and to assess our interest rate risk. We currently utilize a third-party modeling program prepared quarterly to evaluate our sensitivity to changing interest rates.

The table below sets forth, as of December 31, 2025, the calculation of the estimated changes in our net interest income that results from the designated immediate changes in the United States Treasury yield curve.

Change in Interest Rates (basis points) ⁽¹⁾	Net Interest Income Year 1 Forecast (Dollars in thousands)	Year 1 Change from Level
+300	\$ 43,245	(12.96)%
+200	45,999	(7.42)
+100	48,137	(3.12)
Level	49,686	—
-100	50,225	1.08
-200	51,581	3.81
-300	52,773	6.21

(1) Assumes an immediate uniform change in interest rates at all maturities.

Economic Value of Equity. Interest rate risk is monitored through the use of a simulation model that also estimates the amounts by which the fair value of our assets and liabilities (Economic Value of Equity, or “EVE”) would change in the event of a range of assumed changes in market interest rates. The reports that are prepared quarterly in the simulation assist the Asset/Liability Committee in measuring and monitoring interest rate risk over a longer-term than the interest rate risk model does when looking at earnings simulations.

The table below sets forth, as of December 31, 2025, the estimated changes in our EVE that would result from instantaneous changes in market interest rates. This table assumes an instantaneous uniform change in interest rates at all maturities.

Basis Point (“bp”) Change in Interest Rates ⁽¹⁾	Estimated EVE ⁽²⁾	Estimated Increase (Decrease) in EVE	
		Amount	Percent
		(Dollars in thousands)	
+300	\$ 101,336	\$ (51,490)	(33.69)%
+200	121,856	(30,970)	(20.26)
+100	138,150	(14,676)	(9.60)
Level	152,826	—	—
-100	162,793	9,967	6.52
-200	180,630	27,804	18.19
-300	191,977	39,151	25.62

(1) Assumes an instantaneous uniform change in interest rates at all maturities.

(2) EVE is the discounted present value of expected cash flows from assets, liabilities and off-balance sheet contracts.

In evaluating our exposure to interest rate movements, certain shortcomings inherent in the method of analysis presented in the foregoing tables must be considered. For example, although certain assets and liabilities may have similar maturities or re-pricing periods, they may react in different degrees to changes in market interest rates. Also, the interest rates on certain types of assets and liabilities may fluctuate in advance of changes in market interest rates, while interest rates on other types may lag behind changes in interest rates. Additionally, certain assets, such as adjustable-rate mortgages, have features which restrict changes in interest rates on a short-term basis and over the life of the asset. Further, in the event of a significant change in interest rates, prepayment and early withdrawal levels would likely deviate significantly from those assumed above. Finally, the ability of many borrowers to service their debt may decrease in the event of an interest rate increase. We consider all of these factors in monitoring our exposure to interest rate risk.

The Asset/Liability Committee annually reviews reinvestment rate assumptions, along with the betas used in the IRR and EVE modeling. We generally manage our balance sheet based on potential changes to net interest income under various rate scenarios. The EVE ratio is useful in long-term planning; but management gives more weight to changes in net interest income under various rate scenarios. IRR projections are tested annually, and the model is subject to a third-party review annually.

Report of Independent Registered Public Accounting Firm

Shareholders, Board of Directors, and Audit Committee
Richmond Mutual Bancorporation, Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Richmond Mutual Bancorporation, Inc. (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2025 and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits.

We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses on Loans and Leases – Qualitative Adjustments

As described in Note 6 to the consolidated financial statements, the Company's allowance for credit losses on loans and leases (ACL) was approximately \$16,466,000 as of December 31, 2025. The ACL is established for current expected credit losses on the Company's loan and lease portfolios.

The Company estimates expected future losses for the loan's entire contractual term, taking into account expected payments when appropriate. The ACL is an estimation based on management's evaluation of expected losses related to the Company's financial assets measured at amortized cost. It considers relevant available information from internal and external sources relating to the historical loss experience, current conditions, and reasonable and supportable forecasts for the Company's outstanding loan and lease balances. The Company utilizes a cash flow analysis method of estimating expected losses, which relies on key inputs and assumptions. Significant factors affecting the calculation are the segmenting of loans and leases based upon similar risk characteristics, applied loss rates based upon reasonable and supportable forecasts, and contractual term adjustments, including prepayment and curtailment adjustments. To ensure the ACL is maintained at an adequate level, a detailed analysis is performed on a quarterly basis, with an appropriate provision made to adjust the ACL. Qualitative adjustments are applied to each collectively segmented pool to appropriately capture differences in current or expected qualitative risk characteristics.

We identified the qualitative adjustments component of the ACL as a critical audit matter. The principal considerations for that determination included the high degree of judgment and subjectivity in auditing management's measurements of those qualitative factor adjustments related to economic conditions and other external factors. Auditing these assumptions required a high degree of auditor effort and specialized skills and knowledge.

How We Addressed the Matter in Our Audit

The primary procedures we performed to address this critical audit matter included:

- Gaining an understanding of controls over the qualitative adjustments used in the ACL calculation including controls addressing the:
 - Determination of qualitative adjustments for each loan and lease segment.
 - Completeness and accuracy of the inputs to the qualitative adjustments applied to each loan and lease segment in the ACL calculation.
- Substantively testing management's determination of the qualitative adjustments used in the ACL calculation, including:
 - Testing management's process for developing the qualitative adjustments, which included assessing the relevance and reliability of data used to develop the qualitative adjustments, and included evaluating management's judgments and assumptions for reasonableness. Among other procedures, our evaluation considered evidence from internal and external sources.
 - Performing a qualitative factor sensitivity analysis.
 - Evaluating the qualitative adjustments for directional consistency, testing the qualitative adjustments for reasonableness, and obtaining evidence for significant changes.
 - Testing the mathematical accuracy of the qualitative adjustments applied to the loan segments in the ACL calculation.

/s/ Forvis Mazars, LLP

Forvis Mazars, LLP

We have served as the Company's auditor since at least 1982; however, an earlier year cannot be determined.

**Indianapolis, Indiana
March 23, 2026**

Richmond Mutual Bancorporation, Inc.

Consolidated Balance Sheets December 31, 2025 and 2024

	December 31, 2025	December 31, 2024
Assets		
Cash and due from banks	\$ 9,275,184	\$ 8,986,540
Interest-bearing demand deposits	23,855,310	12,770,650
Cash and cash equivalents	33,130,494	21,757,190
Interest-bearing time deposits	2,070,000	300,000
Investment securities - available for sale	251,915,497	258,191,630
Investment securities - held to maturity	2,747,889	3,497,913
Loans held for sale	828,000	1,092,920
Loans and leases, net of allowance for credit losses of \$16,465,708 and \$15,790,885, respectively	1,176,812,906	1,158,879,008
Premises and equipment, net	13,396,583	12,922,028
Federal Home Loan Bank stock	13,907,100	13,907,100
Interest receivable	6,299,925	6,030,000
Mortgage-servicing rights	1,883,446	1,950,504
Cash surrender value of life insurance	3,953,634	3,856,494
Other assets	18,845,066	22,490,073
Total assets	<u>\$ 1,525,790,540</u>	<u>\$ 1,504,874,860</u>
Liabilities		
Noninterest-bearing deposits	\$ 100,090,746	\$ 110,105,973
Interest-bearing deposits	1,014,802,514	983,833,884
Total deposits	1,114,893,260	1,093,939,857
Federal Home Loan Bank advances	240,000,000	265,000,000
Other borrowings	12,000,000	—
Advances by borrowers for taxes and insurance	650,674	590,439
Interest payable	3,456,973	4,831,674
Other liabilities	9,008,533	7,641,130
Total liabilities	1,380,009,440	1,372,003,100
Commitments and Contingent Liabilities	—	—
Stockholders' Equity		
Common stock, \$0.01 par value		
Authorized - 90,000,000 shares		
Issued and outstanding - 10,501,260 shares and 10,814,960 shares at December 31, 2025 and 2024, respectively	105,013	108,150
Additional paid-in capital	92,897,260	97,709,231
Retained earnings	97,324,605	91,582,986
Unearned employee stock ownership plan (ESOP)	(9,987,093)	(10,722,410)
Accumulated other comprehensive loss	(34,558,685)	(45,806,197)
Total stockholders' equity	<u>145,781,100</u>	<u>132,871,760</u>
Total liabilities and stockholders' equity	<u>\$ 1,525,790,540</u>	<u>\$ 1,504,874,860</u>

See Notes to Consolidated Financial Statements

Richmond Mutual Bancorporation, Inc.

Consolidated Statements of Income Years Ended December 31, 2025 and 2024

	2025	2024
Interest Income		
Loans and leases	\$ 77,383,468	\$ 71,596,350
Investment securities	7,705,994	8,103,183
Other	818,092	826,661
Total interest income	85,907,554	80,526,194
Interest Expense		
Deposits	31,248,368	31,750,966
Borrowings	10,812,848	10,068,067
Total interest expense	42,061,216	41,819,033
Net Interest Income	43,846,338	38,707,161
Provision for credit losses	2,152,969	550,265
Net Interest Income After Provision for Credit Losses	41,693,369	38,156,896
Non-interest Income		
Service charges on deposit accounts	1,265,712	1,238,661
Card fee income	1,316,702	1,236,692
Loan and lease servicing fees, including mortgage servicing right impairment	680,807	463,337
Net loss on securities (includes \$(156,040) and \$(50,698), respectively, related to accumulated other comprehensive loss reclassifications)	(156,040)	(50,698)
Net gains on loan and lease sales	409,369	554,546
Other income	1,545,856	1,315,614
Total non-interest income	5,062,406	4,758,152
Non-interest Expenses		
Salaries and employee benefits	18,543,844	18,348,049
Net occupancy expenses	1,455,560	1,354,982
Equipment expenses	1,000,925	926,548
Data processing fees	3,789,236	3,615,221
Deposit insurance expense	1,194,000	1,530,500
Printing and office supplies	181,829	170,282
Legal and professional fees	1,839,738	1,822,092
Advertising expense	432,761	377,787
Bank service charges	150,566	230,410
Real estate owned expense	25,271	22,653
Other expenses	4,489,017	3,652,828
Total non-interest expenses	33,102,747	32,051,352
Income Before Income Tax Expense	13,653,028	10,863,696
Provision for income taxes (includes \$(32,769) and \$(10,647), respectively, related to income tax expense from reclassification of items)	2,076,261	1,486,348
Net Income	<u>\$ 11,576,767</u>	<u>\$ 9,377,348</u>
Earnings Per Share		
Basic	\$ 1.20	\$ 0.93
Diluted	\$ 1.17	\$ 0.92

See Notes to Consolidated Financial Statements

Richmond Mutual Bancorporation, Inc.

Consolidated Statements of Comprehensive Income

Years Ended December 31, 2025 and 2024

	2025	2024
Net Income	<u>\$ 11,576,767</u>	<u>\$ 9,377,348</u>
Other Comprehensive Income (Loss)		
Unrealized gain (loss) on available-for-sale securities, net of tax (expense) benefit of \$(2,957,076) and \$744,610, respectively	<u>11,124,240</u>	<u>(2,801,152)</u>
Less: reclassification adjustment for realized losses included in net income, net of tax expense of \$(32,769) and \$(10,647), respectively	<u>(123,272)</u>	<u>(40,051)</u>
Total Other Comprehensive Income (Loss)	<u>11,247,512</u>	<u>(2,761,101)</u>
Comprehensive Income	<u><u>\$ 22,824,279</u></u>	<u><u>\$ 6,616,247</u></u>

See Notes to Consolidated Financial Statements

Richmond Mutual Bancorporation, Inc.

Consolidated Statements of Stockholders' Equity Years Ended December 31, 2025 and 2024

	Common Stock		Additional Paid-in Capital	Retained Earnings	Unearned ESOP Shares	Accumulated Other Comprehensive Loss		Total
	Shares Outstanding	Amount						
Balances, December 31, 2023	11,208,500	\$ 112,085	\$ 101,347,566	\$ 87,902,747	\$ (11,457,726)	\$ (43,045,096)	\$	134,859,576
Net income	—	—	—	9,377,348	—	—	—	9,377,348
Other comprehensive loss, net of tax benefit	—	—	—	—	—	(2,761,101)	—	(2,761,101)
ESOP shares earned	—	—	(74,344)	—	735,316	—	—	660,972
Forfeiture of restricted stock awards	(400)	(4)	4	—	—	—	—	—
Stock based compensation	—	—	1,474,062	—	—	—	—	1,474,062
Exercise of stock options ⁽¹⁾	1,952	20	(32)	—	—	—	—	(12)
Common stock dividends (\$0.56 per share)	—	—	—	(5,697,109)	—	—	—	(5,697,109)
Repurchase of common stock	(395,092)	(3,951)	(5,038,025)	—	—	—	—	(5,041,976)
Balances, December 31, 2024	10,814,960	\$ 108,150	\$ 97,709,231	\$ 91,582,986	\$ (10,722,410)	\$ (45,806,197)	\$	132,871,760
Net income	—	—	—	11,576,767	—	—	—	11,576,767
Other comprehensive income, net of tax expense	—	—	—	—	—	11,247,512	—	11,247,512
ESOP shares earned	—	—	2,734	—	735,317	—	—	738,051
Granting of restricted stock awards	88,379	884	(884)	—	—	—	—	—
Stock based compensation	—	—	815,821	—	—	—	—	815,821
Exercise of stock options ⁽¹⁾	23,744	237	(241)	—	—	—	—	(4)
Common stock dividends (\$0.60 per share)	—	—	—	(5,835,148)	—	—	—	(5,835,148)
Repurchase of common stock	(425,823)	(4,258)	(5,629,401)	—	—	—	—	(5,633,659)
Balances, December 31, 2025	10,501,260	\$ 105,013	\$ 92,897,260	\$ 97,324,605	\$ (9,987,093)	\$ (34,558,685)	\$	145,781,100

See Notes to Consolidated Financial Statements

⁽¹⁾ The amount shown represents the number of shares issued in net-settled option transactions where some shares are netted from a portion of the exercises.

Richmond Mutual Bancorporation, Inc.

Consolidated Statements of Cash Flows Years Ended December 31, 2025 and 2024

	2025	2024
Operating Activities		
Net income	\$ 11,576,767	\$ 9,377,348
Adjustments to reconcile net income to net cash provided by operating activities		
Provision for credit losses	2,152,969	550,265
Depreciation and amortization	891,834	850,244
Deferred income tax	(114,442)	158,285
Stock based compensation	815,821	1,474,062
Investment securities amortization, net	754,838	943,315
Net loss on sale of investment securities available for sale	156,040	50,698
Net gains on loan and lease sales	(409,369)	(554,546)
(Gain) loss on sale of real estate owned	(6,067)	7,050
Gain on sale of premises and equipment	(4,500)	(6,000)
Accretion of loan origination fees	(884,026)	(767,469)
Amortization of mortgage-servicing rights	208,603	192,807
ESOP shares expense	738,051	660,972
Increase in cash surrender value of life insurance	(97,140)	(91,565)
Loans originated for sale	(20,708,456)	(26,266,889)
Proceeds on loans sold	20,443,536	26,566,309
Net change in		
Interest receivable	(269,925)	(186,295)
Other assets	732,172	2,757,010
Other liabilities	1,367,403	(1,397,861)
Interest payable	(1,374,701)	434,722
Net cash provided by operating activities	15,969,408	14,752,462
Investing Activities		
Net change in interest-bearing time deposits	(1,770,000)	(300,000)
Purchases of securities available for sale	(5,702,862)	(7,501,450)
Proceeds from maturities and paydowns of securities available for sale	18,540,188	20,603,526
Proceeds from sales of securities available for sale	6,765,888	6,907,932
Proceeds from maturities and paydowns of securities held to maturity	749,419	1,449,228
Net change in loans	(18,405,177)	(68,868,279)
Proceeds from sales of real estate owned	43,502	125,109
Purchases of premises and equipment	(1,361,889)	(460,380)
Proceeds from sale of premises and equipment	—	6,000
Purchases of FHLB stock	—	(1,260,000)
Net cash used in investing activities	(1,140,931)	(49,298,314)
Financing Activities		
Net change in		
Demand and savings deposits	16,564,101	23,730,746
Certificates of deposit	4,389,302	29,069,200
Advances by borrowers for taxes and insurance	60,235	2,068
Proceeds from other borrowings	12,000,000	—
Proceeds from FHLB advances	284,000,000	288,500,000
Repayment of FHLB advances	(309,000,000)	(294,500,000)
Repurchase of common stock	(5,633,659)	(5,041,976)
Proceeds from stock option exercises	(4)	(12)
Dividends paid	(5,835,148)	(5,697,109)
Net cash provided by financing activities	(3,455,173)	36,062,917
Net Change in Cash and Cash Equivalents	11,373,304	1,517,065
Cash and Cash Equivalents, Beginning of Period	21,757,190	20,240,125
Cash and Cash Equivalents, End of Period	\$ 33,130,494	\$ 21,757,190
Additional Cash Flows and Supplementary Information		
Interest paid	\$ 43,435,917	\$ 41,384,311
Income tax paid	1,338,381	(406,837)
Transfers from loans to other real estate owned	56,136	37,435
Right of use assets obtained in exchange for new operating lease liabilities	298,061	—

See Notes to Consolidated Financial Statements

Richmond Mutual Bancorporation, Inc.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

(Table Dollar Amounts in Thousands, Except Per Share Amounts)

Note 1: Nature of Operations and Summary of Significant Accounting Policies

On July 1, 2019, Richmond Mutual Bancorporation, Inc., a Delaware corporation ("RMB-Delaware"), completed its reorganization from a mutual holding company form of organization to a stock form of organization ("corporate reorganization"). RMB-Delaware, which owned 100% of First Bank Richmond (the "Bank" or "First Bank"), was succeeded by Richmond Mutual Bancorporation, Inc., a new Maryland corporation (the "Company"). As part of the corporate reorganization, First Mutual of Richmond, Inc.'s (the "MHC") ownership interest in RMB-Delaware was sold in a public offering. Gross proceeds from the offering were \$130.3 million. In conjunction with the corporate reorganization, the Company contributed 500,000 shares and \$1.25 million of cash to a newly formed charitable foundation, First Bank Richmond, Inc. Community Foundation (the "Foundation"). Additionally, a "liquidation account" was established for the benefit of certain depositors of the Bank in an amount equal to the MHC's ownership interest in the retained earnings of RMB-Delaware as of December 31, 2017 and March 31, 2019.

First Bank, headquartered in Richmond, Indiana, is a state-chartered commercial bank. Established in 1887 as a mutual savings and loan, it became a federal mutual savings and loan in 1935, operating as First Federal Savings and Loan Association of Richmond. In 1993, the Bank operated as First Bank Richmond, S. B. after converting to a state-chartered mutual savings bank. It transitioned to a national bank charter in 1998 as part of a mutual holding company reorganization. In 2007, its holding company, Richmond Mutual Bancorporation-Delaware, acquired Mutual Federal Savings Bank in Sidney, Ohio. Mutual Federal operated independently until 2016, when it merged with First Bank Richmond to streamline operations. In 2017, the Bank converted to an Indiana state-chartered commercial bank and adopted the name First Bank Richmond, while continuing to operate in Ohio under the name Mutual Federal, a division of First Bank Richmond.

First Bank generates commercial, mortgage and consumer loans and leases, and receives deposits from customers located primarily in Wayne and Shelby Counties in Indiana, and Shelby, Miami, and Franklin Counties in Ohio. First Bank's loans and leases are generally secured by specific items of collateral including real property, consumer assets and business assets. When the word "loan" or "loans" is used in these financial statements it includes leases, unless the context indicates otherwise.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Material estimates that are particularly susceptible to significant change relate to the determination of the allowance for credit losses.

Consolidation - The consolidated financial statements include the accounts of the Company and First Bank and their direct and indirect subsidiaries after elimination of all material intercompany transactions.

Cash Equivalents - The Company considers all liquid investments with original maturities of three months or less to be cash equivalents.

Investment Securities - Debt securities are classified as held to maturity when the Company has the positive intent and ability to hold the securities to maturity. Securities held to maturity are carried at amortized cost. Debt securities not classified as held to maturity or not classified as trading are classified as available for sale.

Debt securities available for sale are carried at fair value with unrealized gains and losses reported separately in accumulated other comprehensive income (loss), net of tax. Equity securities are carried at fair value with changes in unrealized gains and losses recognized through net income. Trading account securities are held for resale in anticipation of short-term market movements and are valued at fair value. Gains and losses, both realized and unrealized, are included in other income.

The Company accounts for recognition and presentation of impaired securities in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Code ("ASC") 326. When an impairment has occurred, it is determined whether or not the impairment is due to credit or non-credit related factors. If it is determined that the impairment is credit-related, then it must also be determined if the Company has the intent to sell the security or if it is more likely than not that the Company will be required to sell the security before recovery of its amortized cost basis. If either of these factors are present, then the impairment will be recognized in earnings with a corresponding adjustment to the amortized cost basis of the security. If the Company does not intend to sell the security and it is more likely than not that the sale of the security will not be required before recovery of its amortized cost basis, the present values of expected cash flows to be collected from the security will be compared against the amortized cost basis of the security. If the amortized cost basis of the security is greater than the present cash flows expected, a credit loss would exist and it would determine the amount of allowance, if any, that would be deemed needed. A needed allowance would result in an allowance recognized on the balance sheet with a corresponding adjustment to earnings.

Amortization of premiums and accretion of discounts are recorded as interest income from securities. Realized gains and losses are recorded as net security gains (losses). Gains and losses on sales of securities are determined on the specific-identification method.

Purchased premiums and discounts on collateralized mortgage obligations (CMOs), real estate mortgage investment conduits (REMICs) and other mortgage related securities are amortized or accreted using the effective interest method. The period of amortization used is estimated based on anticipated principal prepayments. Differences between anticipated and actual prepayments result in adjustments which are charged or credited to income as an adjustment to yield. For classification purposes, REMICs are grouped with mortgage-backed securities.

Leases - Lease financing consists of direct financing leases. Direct financing leases are carried at cost. Cost is defined as the total minimum lease payments receivable and the estimated residual value of the leased property, less the amount of unearned income. Unearned income on direct financing leases is recognized as income over the term of the lease using a method that approximates the interest method.

Loans - Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at their outstanding principal balances adjusted for unearned income, charge-offs, the allowance for credit losses on loans, any unamortized deferred fees or costs on originated loans and unamortized premiums or discounts on purchased loans.

For loans amortized at cost, interest income is accrued based on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, as well as premiums and discounts, are deferred and amortized as a level yield adjustment over the respective term of the loan.

For all loan classes, the accrual of interest is discontinued at the time the loan is 90 days past due unless the credit is well-secured and in process of collection. Past due status is based on contractual terms of the loan. For all loan classes, the entire balance of the loan is considered past due if the minimum payment contractually required to be paid is not received by the contractual due date. For all loan classes, loans are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful.

For all loan portfolio segments except residential and consumer loans, the Company promptly charges off loans, or portions thereof, when available information confirms that specific loans are uncollectible based on

information that includes, but is not limited to, (1) the deteriorating financial condition of the borrower, (2) declining collateral values, and/or (3) legal action, including bankruptcy, that impairs the borrower's ability to adequately meet its obligations. For collateral dependent loans, a partial charge-off is recorded when a loss has been confirmed by an updated appraisal or other appropriate valuation of the collateral.

The Company charges off residential and consumer loans, or portions thereof, when the Company reasonably determines the amount of the loss. The Company adheres to timeframes established by applicable regulatory guidance, which provides for the charge-down of 1-4 family first and junior lien mortgages to the net realizable value, less costs to sell when the loan is 120 days past due, charge-off of unsecured open-end loans when the loan is 90 days past due, and charge down to the net realizable value when other secured loans are 90 days past due. Loans at these respective delinquency thresholds for which the Company can clearly document that the loan is both well-secured and in the process of collection, such that collection will occur regardless of delinquency status, need not be charged off.

For all classes, all interest accrued but not collected for loans that are placed on nonaccrual or charged off is reversed against interest income. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual. Nonaccrual loans are returned to accrual status when, in the opinion of management, the financial position of the borrower indicates there is no longer any reasonable doubt as to the timely collection of interest or principal. The Company requires a period of satisfactory performance of not less than six months before returning a nonaccrual loan to accrual status.

Loans modified to borrowers experiencing financial difficulty recognize interest income on an accrual basis at the renegotiated rate or terms, provided the loan is in compliance with the modified terms. If determined that the modified loan or lease is less than the recorded investment in the loan, a charge-off is recognized to the allowance for credit losses on loans and leases.

Allowance for Credit Losses - The allowance for credit losses is established for current expected credit losses on the Company's loan and lease portfolios in accordance with ASC Topic 326. Losses are estimated to have occurred through a provision for credit losses charged to income. Credit losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance for credit losses is evaluated on a regular basis by management and is maintained at a level believed to be adequate to absorb expected credit losses within the Company's loan and lease portfolio. In evaluating the allowance, management considers all relevant information available, from internal and external sources relating to historical experience, current conditions, and reasonable and supportable forecasts. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes available.

The allowance consists of collectively pooled and individually evaluated components. "Collectively pooled" refers to loans and leases grouped based upon similar risk characteristics. Quantitative methodologies and qualitative adjustments are applied to each pooled segment. The Company has identified eight segments of loans and leases which are collectively pooled based on similar risk characteristics.

The allowance for credit losses on pooled loans and leases is estimated based upon periodic review of the loan and lease portfolio. The Company utilizes a cash flow ("CF") model to estimate the portion of quantitative allowance reserve for collectively pooled loans and leases. CF models allow for effective incorporation of reasonable and supportable forecasts in a consistent manner. If inadequate information is available to perform CF modeling for a collective pool, the Company uses the Remaining Life Method ("RLM") as a substitute. The RLM uses periodic charge-off rates and applies those rates to the projected balances over the remaining life of the loan or lease.

Accrued interest receivable is excluded from the calculation of the allowance for credit losses, as the Company's policy is to write off accrued interest promptly when deemed uncollectible by reversing interest income.

Key inputs into the CF model include loan and lease-level information, such as the amortized cost basis of individual loans and leases, prepayment and curtailment rates for the collective pool, and forecasted loss drivers. The Company uses prepayment and curtailment rates based upon studies done using internal historical information, or benchmarked rates from external sources when the Company's own historical data is not sufficient. When estimating for credit loss, the Company forecasts the first four quarters of the credit loss estimate and reverts to a long-run average of each considered factor. The Company develops its reasonable and supportable forecasts using economic data, such as gross domestic product and unemployment rate.

For all collectively pooled segments, qualitative adjustments are applied to capture differences in current or expected qualitative risk characteristics. In assessing estimated credit losses, management considers any changes in the following factors and how they relate to the Company's current lending environment: (i) lending policies, procedures, and strategies, (ii) the nature and volume of the portfolio, (iii) international, national, regional, and local conditions, (iv) the experience, depth, and ability of lending management, (v) the volume and severity of past due loans, (vi) the quality of the loan and lease review system, (vii) the underlying collateral, (viii) concentration risk, and (ix) the effect of other external factors.

Loans and leases with different risk characteristics are individually evaluated for potential credit losses and assigned individual reserves. These individually evaluated loans and leases are removed from the pools and are not included in the collective evaluation. Individually analyzed loans and leases may be identified due to current information and events, such as non-accrual status, delinquency status or history, or other potential identifiers impacting the collectability of the loan or lease. Individual reserves are determined at the loan- or lease-level based on an analysis of the expected future cash flows, the fair value of the collateral less costs to sell, or observable market value.

Mortgage Loans Held for Sale – Mortgage loans originated and intended for sale in the secondary market are recorded at the lower of cost or fair value on an individual loan basis.

Premises and Equipment - Premises and equipment are carried at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method based principally on the estimated useful lives of the assets. Maintenance and repairs are expensed as incurred while major additions and improvements are capitalized. Gains and losses on dispositions are included in current operations.

Federal Home Loan Bank (FHLB) stock - FHLB stock is a required investment for institutions that are members of the FHLB system. The required investment in the common stock is based on a predetermined formula, carried at cost and evaluated for impairment.

Foreclosed Assets Held for Sale - Assets acquired through or in lieu of loan foreclosure are held for sale and are initially recorded at fair value, less cost to sell at the date of foreclosure, establishing a new cost basis. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value, less cost to sell. Revenue and expenses from operations and changes in the valuation allowance are included in net income or expense from foreclosed assets.

Mortgage Servicing Rights - Mortgage servicing rights on originated loans that have been sold are initially recorded at fair value. Capitalized mortgage servicing rights, which include purchased servicing rights, are amortized in proportion to and over the period of estimated servicing revenues. Impairment of mortgage servicing rights is assessed based on the fair value of those rights. Fair values are estimated using discounted cash flows based on a current market interest rate. For purposes of measuring impairment, the rights are stratified based on the predominant risk characteristics of the underlying loans. The predominant characteristic currently used for stratification is type of loan. The amount of impairment recognized is the amount by which the capitalized mortgage servicing rights for a stratum exceed their fair value.

Low Income Housing Tax Credits (LIHTC) - The Company has invested in LIHTC through funds that assist corporations in investing in limited partnerships and limited liability companies that own, develop and operate low-income residential rental properties for purposes of qualifying for the LIHTC. These investments are accounted for under the proportional amortization method which recognizes the amortization of the investment in proportion to the tax credit and other tax benefits received.

Long-lived Asset Impairment - The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended December 31, 2025 and 2024.

Revenue Recognition - ASC 606, "Revenue from Contracts with Customers," provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance enumerates five steps that entities should follow in achieving this core principle. Revenue generated from financial instruments, including loans and investment securities, are not included in the scope of ASC 606.

Revenue-gathering activities that are within the scope of ASC 606 and that are presented as non-interest income in the Company's consolidated statements of income include:

- Service charges on deposit accounts – these include general service fees charged for deposit account maintenance and activity and transaction-based fees charged for certain services, such as debit card, wire transfer and overdraft activities. Revenue is recognized when the performance obligation is completed, which is generally after a transaction is completed or monthly for account maintenance services.
- Card fee income – this includes debit card fees charged based on the volume and number of debit card transactions. Revenue is recognized when the performance obligation is completed, which is generally after a transaction is completed or monthly for account maintenance services.

Income Tax - Income tax in the consolidated statements of operations includes deferred income tax provisions or benefits for all significant temporary differences in recognizing income and expenses for financial reporting and income tax purposes. The Company files consolidated income tax returns with its parent and subsidiary.

Uncertain Tax Positions - The Company has adopted the provisions of ASC 740, *Income Taxes*, concerning the accounting and disclosures for uncertain tax positions, previously deferred by ASC 740-10-65. As part of the implementation of this standard, management evaluated its current tax positions and determined the adoption of this standard had no material impact on the consolidated financial statements of the Company.

Share Based Compensation - At December 31, 2025, the Company had share-based compensation plans, which are described more fully in Note 16. All share-based payments are to be recognized as expense, based upon their fair values, in the financial statements over the vesting period of the awards. The Company has recorded approximately \$309,000 and \$594,000 in compensation expense relating to vesting of stock options, which are recognized as they occur, for the years ended December 31, 2025 and 2024, respectively. The Company has recorded approximately \$507,000 and \$880,000 in compensation expense relating to the vesting restricted stock awards for the years ended December 31, 2025 and 2024, respectively.

Advertising Expense - The Company's advertising costs are expensed as incurred.

Note 2: Accounting Pronouncements

The Jumpstart Our Business Startups Act of 2012 (the "JOBS Act") provides certain reporting and other relief to companies that qualify as "emerging growth companies" ("EGCs"). A company qualifies as an EGC if it meets the revenue and other criteria established under the JOBS Act. The Company previously qualified as an EGC and elected to use the extended transition period for complying with new or revised accounting standards, which allowed the Company to adopt such standards on the timeline applicable to private companies. This election was irrevocable and remained in effect while the Company qualified as an EGC. As of December 31, 2024, the Company no longer qualified as an EGC. Accordingly, beginning with the fiscal year ending December 31, 2025, the Company was required to comply with new or revised accounting standards and other reporting requirements applicable to public companies.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting: Improvements to Reportable Segment Disclosures*, requiring public entities to disclose information about significant expenses for their reportable segments on both an interim and annual basis. Public entities must disclose significant expense categories and amounts for each reportable segment, which are derived from expenses regularly reported to the entity's chief operating decision-maker (CODM) and included in the segment's reported measures of profit or loss. Additionally, public entities must disclose the title and position of the CODM and explain how the CODM uses these measures to assess segment performance. The ASU also mandates certain segment-related interim disclosures that were previously required only on an annual basis. The ASU is effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024. The Company adopted this ASU on January 1, 2024. Adoption of ASU No. 2023-07 did not have a material impact on the Company's consolidated financial statements.

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This ASU applies to contracts, hedging relationships and other transactions that reference the London Interbank Offer Rate ("LIBOR") or other rate references expected to be discontinued because of reference rate reform. The ASU permits an entity to make necessary modifications to eligible contracts or transactions without requiring contract remeasurement or reassessment of a previous accounting determination. In December of 2022, the FASB issued ASU No. 2022-06 which extended the period of time preparers can utilize the reference rate reform relief guidance in Topic 848. The guidance ensures the relief in Topic 848 covers the period of time during which a significant number of modifications may take place and the ASU defers the sunset date of Topic 848 from December 31, 2022 to December 31, 2024.

In March 2023, the FASB issued ASU No. 2023-02, *Investments Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*. This ASU allows reporting entities to elect to account for qualifying tax equity investments using the proportional amortization method, regardless of the program giving rise to the related income tax credits. ASU No. 2023-02 is effective for all public business entities for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2023. The Company adopted this guidance on January 1, 2024. Adoption of ASU 2023-02 did not have a material impact on the Company's consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU established new income tax disclosure requirements and modified existing requirements. The ASU requires additional information be disclosed for specified categories, and reconciling items that meet a certain threshold, within the rate reconciliation on an annual basis. Additionally, this ASU requires information be disclosed on the amount of income taxes paid (net of refunds), disaggregated by federal, state, and foreign taxes and the amount of income taxes paid (net of refunds) disaggregated by jurisdiction based on a quantitative threshold. ASU No. 2023-09 is effective for all public business entities for annual periods beginning after December 15, 2024. The Company adopted this guidance on January 1, 2025. Adoption of ASU No. 2023-09 did not have a material impact on the Company's consolidated financial statements.

Note 3: Acquisition of The Farmers Bancorp, Frankfort, Indiana

On November 11, 2025, the Company entered into a definitive Agreement and Plan of Merger (the "Merger Agreement") with The Farmers Bancorp, Frankfort, Indiana ("Farmers Bancorp"), headquartered in Frankfort, Indiana. Pursuant to the Merger Agreement, Farmers Bancorp is expected to merge with and into the Company, with the Company surviving the holding company merger. Immediately following the holding company merger, The Farmers Bank, an Indiana state-chartered bank and wholly owned subsidiary of Farmers Bancorp, will merge with and into First Bank Richmond, with First Bank Richmond surviving the bank merger.

Under the terms of the Merger Agreement, each outstanding share of Farmers Bancorp common stock will be converted into the right to receive 3.40 shares of the Company's common stock (the "Exchange Ratio"), with cash paid in lieu of fractional shares (collectively, the "Merger Consideration"). In addition, (i) each unvested restricted stock unit award of Farmers Bancorp will automatically vest, and the underlying shares will be treated as outstanding and entitled to receive the Merger Consideration, less applicable tax withholding; and (ii) each unvested performance share award of Farmers Bancorp will be terminated and cashed out at target performance levels immediately prior to the effective time of the merger.

Based on the Company's closing stock price of \$13.15 per share on November 10, 2025, the aggregate equity value of the Merger Consideration was approximately \$82 million. The final value of the merger consideration will fluctuate until closing based on changes in the Company's stock price. Upon completion of the merger, Farmers Bancorp shareholders are expected to own approximately 38% of the outstanding shares of the combined company.

The merger was approved and adopted by the Board of Directors of each company and is expected to be completed in the second calendar quarter of 2026, subject to customary closing conditions, including receipt of required regulatory approvals and approval by the shareholders of both the Company and Farmers Bancorp.

The merger will be accounted for as a business combination under ASC 805, *Business Combinations*, with the Company expected to be the accounting acquirer. The combined company will continue to trade on the Nasdaq Capital Market under the ticker symbol "RMBI." The holding company will operate under the name "Richmond Mutual Bancorporation, Inc.," while the combined bank will operate under a new name to be jointly determined prior to closing. The administrative headquarters of the combined company will be located in Richmond, Indiana, and the administrative headquarters of the combined bank will be located in Frankfort, Indiana.

The merger has not been completed as of December 31, 2025. Accordingly, the accompanying consolidated financial statements do not include the assets, liabilities, results of operations, or cash flows of Farmers Bancorp, and no purchase accounting adjustments have been recorded as of that date.

Note 4: Restriction on Cash and Due From Banks

At December 31, 2025, the Company's cash accounts exceeded federally insured limits by approximately \$1,037,000. The Company's cash balances with the Federal Reserve Bank and the Federal Home Loan Bank, which are not federally insured, totaled approximately \$21,564,000 at December 31, 2025.

The Federal Reserve Board announced on March 15, 2020 the reduction of the reserve requirement ratios to zero percent effective March 26, 2020. This action eliminated the restriction on the Company's cash and cash equivalents for December 31, 2025.

Note 5: Investment Securities

The amortized cost and approximate fair values, together with gross unrealized gains and losses, of investment securities are as follows:

2025				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale				
SBA Pools	\$ 3,473	\$ —	\$ (349)	\$ 3,124
Federal agencies	15,000	—	(939)	14,061
State and municipal obligations	157,102	160	(25,444)	131,818
Mortgage-backed securities - government-sponsored enterprises (GSE) residential	108,586	93	(15,574)	93,105
Corporate obligations	11,500	—	(1,693)	9,807
	295,661	253	(43,999)	251,915
Held to maturity				
State and municipal obligations	2,748	7	(38)	2,717
	2,748	7	(38)	2,717
Total investment securities	<u>\$ 298,409</u>	<u>\$ 260</u>	<u>\$ (44,037)</u>	<u>\$ 254,632</u>
2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale				
U.S. treasury securities	\$ 3,159	\$ 2	\$ —	\$ 3,161
SBA Pools	4,243	—	(543)	3,700
Federal agencies	15,000	—	(1,666)	13,334
State and municipal obligations	162,524	1	(32,166)	130,359
Mortgage-backed securities – government-sponsored enterprises (GSE) residential	119,748	5	(21,440)	98,313
Corporate obligations	11,500	—	(2,175)	9,325
	316,174	8	(57,990)	258,192
Held to maturity				
State and municipal obligations	3,498	8	(85)	3,421
	3,498	8	(85)	3,421
Total investment securities	<u>\$ 319,672</u>	<u>\$ 16</u>	<u>\$ (58,075)</u>	<u>\$ 261,613</u>

The amortized cost and fair value of investment securities at December 31, 2025, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Available for Sale		Held to Maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
One year or less	\$ 1,476	\$ 1,466	\$ 725	\$ 725
After one to five years	23,414	22,496	963	963
After five to ten years	48,846	44,566	450	450
After ten years	113,339	90,282	610	579
	187,075	158,810	2,748	2,717
Mortgage-backed securities –GSE residential	108,586	93,105	—	—
Totals	<u>\$ 295,661</u>	<u>\$ 251,915</u>	<u>\$ 2,748</u>	<u>\$ 2,717</u>

Investment securities with a carrying value of \$114,823,000 and \$109,909,000 were pledged at December 31, 2025 and 2024, respectively, to secure certain deposits and for other purposes as permitted or required by law.

Proceeds from the sale of investment securities available for sale for the years ended December 31, 2025 and 2024 were \$6,766,000 and \$6,908,000, respectively. Gross losses recognized on the sale of investment securities available for sale for the years ended December 31, 2025 and 2024 were \$157,000 and \$71,000, respectively. Gross gains on the sale of investment securities available for sale were \$20,000 for the year ended December 31, 2024, while there were no gross gains during the year ended December 31, 2025.

Certain investments in debt securities are reported in the consolidated financial statements and notes at an amount less than their historical cost. Total fair value of these investments at December 31, 2025 and 2024 was \$244,503,000 and \$255,749,000, respectively, which is approximately 96% and 98% of the fair value of the Company's available for sale and held to maturity investment portfolio at those dates, respectively. These declines primarily resulted from changes in market interest rates since their purchase.

The Company does not consider investment securities available for sale with unrealized losses to be experiencing credit losses at December 31, 2025 and 2024. Management considers it more likely than not that the Company will not be required to sell these investment securities before recovery of the amortized cost basis, which may be the maturity date of the securities.

Investment securities held to maturity are financial assets measured at amortized cost. Investment securities held to maturity are required to have an established allowance for credit losses that represents the portion of the amortized cost basis of a financial asset that is not expected to be collectable. The Company estimates expected credit losses on a collective basis by security type, with consideration given to historical information, credit ratings, and the statistical probability of future losses.

The Company monitors the credit quality of investment securities held to maturity using credit ratings quarterly. In the absence of credit ratings, assumptions are applied to the security to estimate total expected loss. As of December 31, 2025 and 2024, there was no allowance for credit losses recognized on the Company's investment securities held to maturity portfolio.

The following table summarizes the amortized cost of investment securities held to maturity by credit quality indicator as of December 31, 2025 and 2024:

	State and municipal obligations	
	2025	2024
AA+	\$ 350	\$ 483
AA-	—	295
A+	375	605
Not rated	2,023	2,115
	<u>\$ 2,748</u>	<u>\$ 3,498</u>

Accrued interest receivable for held to maturity securities was \$44,000 and \$52,000 at December 31, 2025 and 2024, respectively. The Company has elected to exclude accrued interest receivable from the calculation of the allowance for credit losses.

The following tables show the Company's investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2025 and 2024:

Description of Securities	2025					
	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Available for sale						
SBA Pools	\$ 89	\$ —	\$ 2,856	\$ (349)	\$ 2,945	\$ (349)
Federal agencies	—	—	14,061	(939)	14,061	(939)
State and municipal obligations	—	—	127,699	(25,444)	127,699	(25,444)
Mortgage-backed securities – GSE residential	907	(4)	88,088	(15,570)	88,995	(15,574)
Corporate obligations	—	—	9,807	(1,693)	9,807	(1,693)
Total available-for-sale	<u>996</u>	<u>(4)</u>	<u>242,511</u>	<u>(43,995)</u>	<u>243,507</u>	<u>(43,999)</u>
Held to maturity						
State and municipal obligations	<u>—</u>	<u>—</u>	<u>996</u>	<u>(38)</u>	<u>996</u>	<u>(38)</u>
Total	<u>\$ 996</u>	<u>\$ (4)</u>	<u>\$ 243,507</u>	<u>\$ (44,033)</u>	<u>\$ 244,503</u>	<u>\$ (44,037)</u>

Description of Securities	2024					
	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Available for sale						
SBA Pools	\$ 454	\$ (1)	\$ 2,991	\$ (542)	\$ 3,445	\$ (543)
Federal agencies	—	—	13,334	(1,666)	13,334	(1,666)
State and municipal obligations	1,578	(17)	127,705	(32,149)	129,283	(32,166)
Mortgage-backed securities – GSE residential	1,045	(10)	96,296	(21,430)	97,341	(21,440)
Corporate obligations	—	—	9,324	(2,175)	9,324	(2,175)
Total available-for-sale	3,077	(28)	249,650	(57,962)	252,727	(57,990)
Held to maturity						
State and municipal obligations	1,253	(12)	1,769	(73)	3,022	(85)
Total	\$ 4,330	\$ (40)	\$ 251,419	\$ (58,035)	\$ 255,749	\$ (58,075)

SBA Pools and Mortgage-Backed Securities - GSE Residential

The unrealized losses on the Company's investment in SBA pools and mortgage-backed securities were caused by interest rate changes and illiquidity. The Company expects to recover the amortized cost basis over the term of the securities. The decline in market value is attributable to changes in interest rates and not credit quality. The Company does not intend to sell the investments and it is not more likely than not the Company will be required to sell the investments before recovery of their amortized cost basis, which may be maturity.

State, Municipal, and Corporate Obligations

The unrealized losses on the Company's investments in securities of state, municipal, and corporate obligations were caused by interest rate changes. The contractual terms of those investments do not permit the issuer to settle the securities at a price less than the amortized cost bases of the investments. The Company does not intend to sell the investments and it is not more likely than not the Company will be required to sell the investments before recovery of their amortized cost basis, which may be maturity.

The Company expects the fair value of the securities as described above to recover as the securities approach their maturity or reset date.

Note 6: Loans, Leases and Allowance

Categories of loans and leases at December 31, 2025 and 2024 include:

	2025	2024
Commercial mortgage	\$ 414,316	\$ 371,705
Commercial and industrial	142,508	126,367
Construction and development	71,705	132,570
Multi-family	208,894	185,864
Residential mortgage	171,063	172,644
Home equity lines of credit	20,147	16,826
Leases	145,806	148,102
Consumer	19,280	21,218
	<u>1,193,719</u>	<u>1,175,296</u>
Less		
Allowance for credit losses	16,466	15,791
Deferred loan fees	440	626
	<u>\$ 1,176,813</u>	<u>\$ 1,158,879</u>

First Bank rates all loans and leases by credit quality using the following designations:

Grade 1 - Exceptional

Exceptional loans are top-quality loans to individuals whose financial credentials are well known to the Company. These loans have excellent sources of repayment, are well documented and/or virtually free of risk (i.e., CD secured loans).

Grade 2 - Quality Loans

These loans have excellent sources of repayment with no identifiable risk of collection, and they conform in all respects to Company policy and Indiana Department of Financial Institutions ("DFI") and Federal Deposit Insurance Corporation ("FDIC") regulations. Documentation exceptions are minimal or are in the process of being corrected and are not of a type that could subsequently expose the Company to risk of loss.

Grade 3 - Acceptable Loans

This category is for "average" quality loans. These loans have adequate sources of repayment with little identifiable risk of collection and they conform to Company policy and DFI/FDIC regulations.

Grade 4 - Acceptable but Monitored

Loans in this category may have a greater than average risk due to financial weakness or uncertainty but do not appear to require classification as special mention or substandard loans. Loans rated "4" need to be monitored on a regular basis to ascertain that the reasons for placing them in this category do not advance or worsen.

Grade 5 - Special Mention

Loans in this category have potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or in the Company's credit position at some future date. Special Mention loans are not adversely classified and do not expose the Company to sufficient risk to warrant adverse classification. This special mention rating is

designed to identify a specific level of risk and concern about an asset's quality. Although a special mention loan has a higher probability of default than a grade 1-4 or "pass" rated loan, its default is not imminent.

Grade 6 - Substandard

Loans in this category are inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness, or weaknesses, that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the Company will sustain some loss if the deficiencies are not corrected.

Substandard loans have a high probability of payment default, or they have other well-defined weaknesses. Such loans have a distinct potential for loss; however, an individual loan's potential for loss does not have to be distinct for the loan to be rated substandard.

The following are examples of situations that might cause a loan to be graded a "6":

- Cash flow deficiencies (losses) jeopardize future loan payments;
- Sale of non-collateral assets has become a primary source of loan repayment;
- The relationship has deteriorated to the point that sale of collateral is now the Company's primary source of repayment, unless this was the original source of loan repayment;
- The borrower is bankrupt or for any other reason future repayment is dependent on court action.

Grade 7 - Doubtful

A loan classified as doubtful has all the weaknesses inherent in one classified substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of current existing facts, conditions, and values, highly questionable and improbable. A doubtful loan has a high probability of total or substantial loss. Doubtful borrowers are usually in default, lack adequate liquidity or capital, and lack the resources necessary to remain an operating entity. Because of high probability of loss, nonaccrual accounting treatment will be required for doubtful loans.

Grade 8 - Loss

Loans classified as loss are considered uncollectible and of such little value that their continuance as bankable assets are not warranted. This classification does not mean that the loan has absolutely no recovery or salvage value, but rather that it is not practical or desirable to defer writing off the loan even though partial recovery may be affected in the future.

The risk characteristics of each loan portfolio segment are as follows:

Commercial and Industrial

Commercial and industrial loans are primarily based on the identified cash flows of the borrower and secondarily on the underlying collateral provided by the borrower. The cash flows of borrowers, however, may not be as expected and the collateral securing these loans may fluctuate in value. Most commercial loans are secured by the assets being financed or other business assets, such as accounts receivable or inventory, and may include a personal guarantee. Short-term loans may be made on an unsecured basis. In the case of loans secured by accounts receivable, the availability of funds for the repayment of these loans may be substantially dependent on the ability of the borrower to collect amounts due from its customers.

Commercial Mortgage including Construction and Development

Loans in this segment include commercial loans, commercial construction loans, and multi-family loans. This segment also includes loans secured by 1-4 family residences which were made for investment purposes. Commercial real estate loans are viewed primarily as cash flow loans and secondarily as loans secured by real estate. Commercial real estate lending typically involves higher loan principal amounts and the repayment of these loans is generally dependent on the successful operation of the property securing the loan or the business conducted on the property securing the loan. Commercial real estate loans may be more adversely affected by conditions in the real estate markets or in the general economy. The characteristics of properties securing the Company's commercial real estate portfolio are diverse, but with geographic location almost entirely in the Company's market area. Management monitors and evaluates commercial real estate loans based on collateral, geography and risk grade criteria. In general, the Company avoids financing single purpose projects unless other underwriting factors are present to help mitigate risk. In addition, management tracks the level of owner-occupied commercial real estate versus nonowner-occupied loans.

Construction loans are underwritten utilizing feasibility studies, independent appraisal reviews and financial analysis of the developers and property owners. Construction loans are generally based on estimates of costs and value associated with the complete project. These estimates may be inaccurate. Construction loans often involve the disbursement of substantial funds with repayment substantially dependent on the success of the ultimate project. Sources of repayment for these types of loans may be pre-committed permanent loans from approved long-term lenders, sales of developed property or an interim loan commitment from the Company until permanent financing is obtained. These loans are closely monitored by on-site inspections and are considered to have higher risks than other real estate loans due to their ultimate repayment being sensitive to interest rate changes, governmental regulation of real property, general economic conditions and the availability of long-term financing.

Residential, Home Equity, and Consumer

Residential, home equity, and consumer loans consist of three segments - residential mortgage loans, including brokered mortgage loans, home equity lines of credit, and personal loans. For residential mortgage loans that are secured by 1-4 family residences and are generally owner-occupied, the Company generally establishes a maximum loan-to-value ratio and requires private mortgage insurance if that ratio is exceeded. Home equity loans are typically secured by a subordinate interest in 1-4 family residences. Consumer personal loans are secured by consumer personal assets, such as automobiles or recreational vehicles. Some consumer personal loans are unsecured, such as small installment loans and certain lines of credit. Repayment of these loans is primarily dependent on the personal income of the borrowers, which can be impacted by economic conditions in their market areas, such as unemployment levels. Repayment can also be impacted by changes in property values on residential properties. Risk is mitigated by the fact that the loans are of smaller individual amounts and spread over a large number of borrowers.

Leases

Lease financing consists of direct financing leases and are used by commercial customers to finance capital purchases of equipment. The credit decisions for these transactions are based upon an assessment of the overall financial capacity of the applicant. A determination is made as to the applicant's financial condition and ability to repay in accordance with the proposed terms as well as an overall assessment of the risks involved.

The following tables present the credit risk profile of the Company's loan portfolio based on rating category, payment activity, and origination year as of December 31, 2025 and 2024:

	2025	2024	2023	2022	2021	Prior	Revolving loans amortized cost basis	Total
As of December 31, 2025:								
Commercial mortgage								
Pass	\$ 65,746	\$ 28,457	\$ 43,078	\$ 81,156	\$ 38,485	\$ 104,920	\$ 44,820	\$ 406,662
Substandard	—	—	—	—	7,654	—	—	7,654
Total Commercial mortgage	65,746	28,457	43,078	81,156	46,139	104,920	44,820	414,316
Current period gross charge-offs	—	—	—	—	—	—	—	—
Commercial and industrial								
Pass	24,361	14,524	21,342	6,601	9,148	11,218	53,505	140,699
Substandard	—	—	—	173	—	30	1,606	1,809
Total Commercial and industrial	24,361	14,524	21,342	6,774	9,148	11,248	55,111	142,508
Current period gross charge-offs	—	—	—	—	2	—	—	2
Construction and development								
Pass	31,478	14,823	1,914	1,516	15,946	105	—	65,782
Special Mention	—	—	429	594	—	—	—	1,023
Substandard	—	—	—	—	—	4,900	—	4,900
Total Construction and development	31,478	14,823	2,343	2,110	15,946	5,005	—	71,705
Current period gross charge-offs	—	—	—	—	—	—	—	—
Multi-family								
Pass	19,060	16,545	10,946	62,286	46,369	20,269	26,246	201,721
Substandard	—	—	—	2,362	1,355	3,456	—	7,173
Total Multi-family	19,060	16,545	10,946	64,648	47,724	23,725	26,246	208,894
Current period gross charge-offs	—	—	—	—	—	—	—	—
Residential mortgage								
Pass	25,873	14,224	29,613	24,979	25,038	46,869	2,944	169,540
Substandard	—	—	234	—	446	843	—	1,523
Total Residential mortgage	25,873	14,224	29,847	24,979	25,484	47,712	2,944	171,063
Current period gross charge-offs	—	—	—	—	—	—	—	—
Home equity lines of credit								
Pass	48	—	224	—	57	—	19,730	20,059
Substandard	—	—	—	—	—	—	88	88
Total Home equity lines of credit	48	—	224	—	57	—	19,818	20,147
Current period gross charge-offs	—	—	—	—	—	—	—	—
Direct financing leases								
Pass	59,587	37,199	31,748	12,243	3,128	604	—	144,509
Substandard	—	64	225	232	61	—	—	582
Doubtful	40	212	392	38	33	—	—	715
Total Direct financing leases	59,627	37,475	32,365	12,513	3,222	604	—	145,806
Current period gross charge-offs	9	260	961	413	291	23	—	1,957
Consumer								
Pass	6,246	4,586	3,793	2,933	1,163	391	122	19,234
Substandard	—	—	24	—	22	—	—	46
Total Consumer	6,246	4,586	3,817	2,933	1,185	391	122	19,280
Current period gross charge-offs	51	19	55	72	9	23	—	229
Total Loans and Leases								
	<u>\$ 232,439</u>	<u>\$ 130,634</u>	<u>\$ 143,962</u>	<u>\$ 195,113</u>	<u>\$ 148,905</u>	<u>\$ 193,605</u>	<u>\$ 149,061</u>	<u>\$ 1,193,719</u>
Total current period gross charge-offs								
	\$ 60	\$ 279	\$ 1,016	\$ 485	\$ 302	\$ 46	\$ —	\$ 2,188

	2024	2023	2022	2021	2020	Prior	Revolving loans amortized cost basis	Total
As of December 31, 2024:								
Commercial mortgage								
Pass	\$ 22,469	\$ 40,634	\$ 82,254	\$ 65,852	\$ 31,382	\$ 90,763	\$ 33,393	\$ 366,747
Substandard	—	—	—	234	4,724	—	—	4,958
Total Commercial mortgage	22,469	40,634	82,254	66,086	36,106	90,763	33,393	371,705
Current period gross charge-offs	—	—	—	—	—	—	—	—
Commercial and industrial								
Pass	18,197	28,998	9,866	11,111	2,703	9,648	44,026	124,549
Substandard	—	—	282	—	—	35	1,501	1,818
Total Commercial and industrial	18,197	28,998	10,148	11,111	2,703	9,683	45,527	126,367
Current period gross charge-offs	—	—	—	—	—	16	—	16
Construction and development								
Pass	20,811	44,837	43,691	18,185	30	116	—	127,670
Substandard	—	—	—	—	—	4,900	—	4,900
Total Construction and development	20,811	44,837	43,691	18,185	30	5,016	—	132,570
Current period gross charge-offs	—	—	—	—	—	—	—	—
Multi-family								
Pass	7,252	3,789	61,936	50,178	6,195	24,845	26,751	180,946
Total Multi-family	7,252	3,789	61,936	51,639	9,652	24,845	26,751	185,864
Current period gross charge-offs	—	—	—	—	—	—	—	—
Residential mortgage								
Pass	22,614	33,949	28,498	28,302	16,239	39,174	2,513	171,289
Substandard	—	35	—	450	—	870	—	1,355
Total Residential mortgage	22,614	33,984	28,498	28,752	16,239	40,044	2,513	172,644
Current period gross charge-offs	—	—	—	—	—	10	—	10
Home equity lines of credit								
Pass	18	198	—	57	—	—	16,539	16,812
Substandard	—	—	—	—	—	—	14	14
Total Home equity lines of credit	18	198	—	57	—	—	16,553	16,826
Current period gross charge-offs	—	—	—	—	—	—	—	—
Direct financing leases								
Pass	53,286	53,601	25,447	11,381	3,336	329	—	147,380
Substandard	127	318	175	40	28	—	—	688
Doubtful	—	9	—	7	18	—	—	34
Total Direct financing leases	53,413	53,928	25,622	11,428	3,382	329	—	148,102
Current period gross charge-offs	—	741	592	325	72	1	—	1,731
Consumer								
Pass	6,807	6,272	5,200	2,088	438	314	—	21,119
Substandard	—	3	47	49	—	—	—	99
Total Consumer	6,807	6,275	5,247	2,137	438	314	—	21,218
Current period gross charge-offs	47	89	114	32	—	3	—	285
Total Loans and Leases								
	\$ 151,581	\$ 212,643	\$ 257,396	\$ 189,395	\$ 68,550	\$ 170,994	\$ 124,737	\$ 1,175,296
Total current period gross charge-offs								
	\$ 47	\$ 830	\$ 706	\$ 357	\$ 72	\$ 30	\$ —	\$ 2,042

The following tables present the Company's loan portfolio aging analysis of the recorded investment in loans as of December 31, 2025 and 2024:

2025							
Delinquent Loans							Total Accruing Loans 90 Days or More Past Due
	30-59 Days Past Due	60-89 Days Past Due	90 Days and Over	Total Past Due	Current	Total Portfolio Loans	
Commercial mortgage	\$ —	\$ —	\$ 7,435	\$ 7,435	\$ 406,881	\$ 414,316	\$ —
Commercial and industrial	—	—	—	—	142,508	142,508	—
Construction and development	—	—	4,900	4,900	66,805	71,705	—
Multi-family	—	—	2,362	2,362	206,532	208,894	2,362
Residential mortgage	773	481	1,522	2,776	168,287	171,063	1,445
Home equity lines of credit	126	70	88	284	19,863	20,147	88
Leases	511	296	299	1,106	144,700	145,806	299
Consumer	148	50	46	244	19,036	19,280	46
Totals	<u>\$ 1,558</u>	<u>\$ 897</u>	<u>\$ 16,652</u>	<u>\$ 19,107</u>	<u>\$ 1,174,612</u>	<u>\$ 1,193,719</u>	<u>\$ 4,240</u>

2024							
Delinquent Loans							Total Accruing Loans 90 Days or More Past Due
	30-59 Days Past Due	60-89 Days Past Due	90 Days and Over	Total Past Due	Current	Total Portfolio Loans	
Commercial mortgage	\$ 101	\$ 216	\$ —	\$ 317	\$ 371,388	\$ 371,705	\$ —
Commercial and industrial	419	—	—	419	125,948	126,367	—
Construction and development	429	240	4,900	5,569	127,001	132,570	—
Multi-family	—	—	—	—	185,864	185,864	—
Residential mortgage	781	540	1,356	2,677	169,967	172,644	1,261
Home equity lines of credit	11	58	14	83	16,743	16,826	14
Leases	673	362	340	1,375	146,727	148,102	340
Consumer	108	183	99	390	20,828	21,218	99
Totals	<u>\$ 2,522</u>	<u>\$ 1,599</u>	<u>\$ 6,709</u>	<u>\$ 10,830</u>	<u>\$ 1,164,466</u>	<u>\$ 1,175,296</u>	<u>\$ 1,714</u>

The following table presents information on the Company's nonaccrual loans and leases at December 31, 2025 and 2024:

	December 31, 2025		December 31, 2024	
	Nonaccrual loans and leases	Nonaccrual loans and leases without an allowance for credit losses	Nonaccrual loans and leases	Nonaccrual loans and leases without an allowance for credit losses
Commercial mortgage	\$ 7,435	\$ 6,732	\$ —	\$ —
Commercial and industrial	30	—	35	—
Construction and development	4,900	—	4,900	—
Residential mortgage	76	76	94	94
Direct financing leases	715	715	34	34
Total nonaccrual loans and leases	<u>\$ 13,156</u>	<u>\$ 7,523</u>	<u>\$ 5,063</u>	<u>\$ 128</u>

During the years ended December 31, 2025 and 2024, the Company recognized \$3,000 and \$5,000, respectively, of interest income on nonaccrual loans and leases.

The following tables present the Company's amortized cost basis of collateral dependent loans, and their respective collateral type, which are individually analyzed to determine expected credit losses, at the dates indicated:

December 31, 2025						
	Commercial Real Estate	Multi-family Housing	Residential Real Estate	Other	Total	Allowance on Collateral Dependent Loans
Commercial mortgage	\$ 7,435	\$ —	\$ —	\$ —	\$ 7,435	\$ 150
Commercial and industrial	—	—	—	1,607	1,607	—
Construction and development	5,923	—	—	—	5,923	1,750
Multi-family	—	7,174	—	—	7,174	250
Residential mortgage	—	—	124	—	124	—
Total	<u>\$ 13,358</u>	<u>\$ 7,174</u>	<u>\$ 124</u>	<u>\$ 1,607</u>	<u>\$ 22,263</u>	<u>\$ 2,150</u>

December 31, 2024						
	Commercial Real Estate	Multi-family Housing	Residential Real Estate	Other	Total	Allowance on Collateral Dependent Loans
Commercial mortgage	\$ 4,724	\$ —	\$ —	\$ —	\$ 4,724	\$ —
Commercial and industrial	—	—	—	1,501	1,501	—
Construction and development	4,900	—	—	—	4,900	1,000
Multi-family	—	1,461	—	—	1,461	—
Residential mortgage	—	—	143	—	143	—
Total	<u>\$ 9,624</u>	<u>\$ 1,461</u>	<u>\$ 143</u>	<u>\$ 1,501</u>	<u>\$ 12,729</u>	<u>\$ 1,000</u>

Loan Modification Disclosures under ASU 2022-02

In certain situations, the Company may modify the terms of a loan or lease to a borrower experiencing financial difficulty. These modifications may include payment delays, term extensions, or interest-rate reductions. In some cases, combinations of modifications may be made to the same loan or lease. If a determination is made that a modified loan or lease has been deemed uncollectible, the loan or lease (or portion of the loan or lease) is charged-off, reducing the amortized cost basis of the loan or lease and adjusting the allowance for credit losses.

During the year ended December 31, 2025, the Company had no new modifications to borrowers experiencing financial difficulty. During the year ended December 31, 2024, the Company modified two residential mortgage loans, both involving term extensions, to borrowers experiencing financial difficulty. The total amortized cost basis of the loans modified at December 31, 2024 was \$168,000. For the year ended December 31, 2024, loan and lease modifications to borrowers experiencing financial difficulty resulted in a weighted average term extension of 20 months for the modified loans.

There were no modified loans or leases that had a payment default during the years ended December 31, 2025 and 2024 and that were modified in the twelve months prior to that default to borrowers experiencing financial difficulty.

Other Real Estate Owned

At December 31, 2025 and 2024, the balance of real estate owned included \$56,000 and \$37,000, respectively, of foreclosed real estate properties recorded as a result of obtaining physical possession of the property. At December 31, 2025 and 2024, the recorded investment of consumer mortgage loans secured by residential real estate properties for which formal foreclosure proceeds were in process was \$923,000 and \$275,000, respectively.

Direct Financing Leases

The following lists the components of the net investment in direct financing leases:

	December 31, 2025	December 31, 2024
Total minimum lease payments to be received	\$ 166,565	\$ 168,934
Initial direct costs	9,422	9,360
	175,987	178,294
Less: Unearned income	(30,181)	(30,192)
Net investment in direct finance leases	<u>\$ 145,806</u>	<u>\$ 148,102</u>

The following summarizes the future minimum lease payments receivable subsequent to December 31, 2025:

2026	\$ 65,255
2027	47,954
2028	31,526
2029	16,216
2030	5,283
Thereafter	331
	<u>\$ 166,565</u>

Allowance for Credit Losses on Loans and Leases

The allowance for credit losses on loans and leases is established for current expected credit losses on the Company's loan and lease portfolios in accordance with ASC Topic 326. This requires significant judgment to estimate credit losses measured on a collective pool basis when similar risk characteristics exist, and for loans evaluated individually. The Company estimates expected future losses for the loan's entire contractual term, taking into account expected payments when appropriate. The allowance is an estimation based on management's evaluation of expected losses related to the Company's financial assets measured at amortized cost. It considers relevant available information from internal and external sources relating to the historical loss experience, current conditions and reasonable and supportable forecasts for the Company's outstanding loan and lease balances.

The Company utilizes a CF analysis method of estimating expected losses, which relies on key inputs and assumptions. Significant factors affecting the calculation are the segmenting of loans and leases based upon similar risk characteristics, applied loss rates based upon reasonable and supportable forecasts, and contractual term adjustments, including prepayment and curtailment adjustments. To ensure the allowance is maintained at an adequate level, a detailed analysis is performed on a quarterly basis, with an appropriate provision made to adjust the allowance.

The Company has elected to exclude accrued interest receivable from the calculation of the allowance for credit losses, as it is the Company's policy to write off accrued interest in a timely manner as it is deemed uncollectible by reversing interest income. Accrued interest receivable totaled \$4.4 million and \$4.1 million at December 31, 2025 and 2024, respectively.

The Company categorizes its loan portfolios into eight segments, as discussed above, based on similar risk characteristics. Loans within each segment are collectively evaluated using either a CF methodology or remaining life methodology. When estimating for credit loss, the Company forecasts the first four quarters of the credit loss estimate and reverts to a long-run average of each considered factor. The Company developed its reasonable and supportable forecasts using economic data, such as gross domestic product and unemployment rate.

Qualitative adjustments are applied to each collectively segmented pool to appropriately capture differences in current or expected qualitative risk characteristics. When evaluating the estimation for expected credit losses, the Company evaluates these qualitative adjustments for any changes in:

- lending policies, procedures, and strategies,
- the nature and volume of the loan and lease portfolio,
- international, national, regional, and local conditions,
- the experience, depth, and ability of lending management,
- the volume and severity of past due loans,
- the quality of the loan review system,
- the underlying collateral,
- concentration risk, and
- the effect of other external factors.

The following tables summarize changes in the allowance for credit losses by segment for the years ended December 31, 2025 and 2024:

	Balances, December 31, 2024	Provision for (reversal of) credit losses	Charge-offs	Recoveries	Balances, December 31, 2025
Commercial mortgage	\$ 4,486	\$ 88	\$ —	\$ 1	\$ 4,575
Commercial and industrial	1,483	302	(2)	29	1,812
Construction and development	2,243	55	—	—	2,298
Multi-family	2,660	(324)	—	—	2,336
Residential mortgage	1,910	(106)	—	29	1,833
Home equity	184	5	—	—	189
Direct financing leases	2,469	2,217	(1,957)	346	3,075
Consumer	356	146	(229)	75	348
Total	<u>\$ 15,791</u>	<u>\$ 2,383</u>	<u>\$ (2,188)</u>	<u>\$ 480</u>	<u>\$ 16,466</u>

	Balances, December 31, 2023	Provision for (reversal of) credit losses	Charge-offs	Recoveries	Balances, December 31, 2024
Commercial mortgage	\$ 4,655	\$ (169)	\$ —	\$ —	\$ 4,486
Commercial and industrial	1,281	138	(16)	80	1,483
Construction and development	3,883	(1,640)	—	—	2,243
Multi-family	1,789	871	—	—	2,660
Residential mortgage	1,681	225	(10)	14	1,910
Home equity	102	82	—	—	184
Direct financing leases	1,955	1,942	(1,731)	303	2,469
Consumer	317	185	(285)	139	356
Total	<u>\$ 15,663</u>	<u>\$ 1,634</u>	<u>\$ (2,042)</u>	<u>\$ 536</u>	<u>\$ 15,791</u>

Our commercial loan portfolio, consisting of commercial and multi-family real estate loans, commercial and industrial loans, and construction loans, represented 70.2% and 69.5% of our portfolio as of December 31, 2025 and 2024, respectively. The allowance for credit losses on loans and leases allocated to the commercial loan portfolio represented 66.9% and 68.9% of our total allowance at December 31, 2025 and 2024, respectively.

Economic Outlook

Due to the forward-looking nature of the allowance for credit losses, management is required to make significant estimates and assumptions. Estimating the allowance requires the use of relevant forward-looking information based on reasonable and supportable forecasts. Economic factors are a key component of these forecasts and are evaluated periodically for developments that may affect the Company's loan and lease portfolio and related credit losses.

As of December 31, 2025, the Company's reasonable and supportable forecasts incorporate assumptions regarding inflationary pressures, moderating economic growth, unemployment trends, and geopolitical risks. These factors are reflected in the Company's allowance for credit losses methodology and may influence borrower performance and overall credit conditions.

The Company's loan portfolio is concentrated in three primary market regions: Columbus, Ohio; Cincinnati/Dayton, Ohio; and Indianapolis, Indiana. Economic conditions in these regions, particularly those affecting commercial real estate and commercial lending activity, are considered in the Company's credit loss estimates.

- Columbus, Ohio - The Columbus market region continues to experience economic activity supported by investment in technology, healthcare, education, and related development projects. These sectors have contributed to job growth and infrastructure expansion, and population trends in Central Ohio have supported demand for housing and services.
- Cincinnati/Dayton, Ohio - The economic outlook for the Cincinnati and Dayton market region remains stable, supported by activity in manufacturing, construction, healthcare, and technology-related sectors. Employment and business investment trends have contributed to regional economic activity.
- Indianapolis, Indiana - The Indianapolis market region continues to experience development and investment activity, including in manufacturing, technology, logistics, and urban redevelopment initiatives. While inflationary pressures and labor market conditions present ongoing challenges, economic activity in the region has supported expectations for continued development.

The overall economic outlook remains uncertain, and actual economic conditions may differ from the assumptions incorporated into the Company's forecasts. Given the sensitivity of the allowance for credit losses to changes in economic conditions and other variables, future changes in the economic environment may result in material fluctuations in the Company's allowance for credit losses during 2026.

Allowance for Credit Losses on Unfunded Commitments

The allowance for credit losses on unfunded commitments is included in other liabilities on the Condensed Consolidated Balance Sheets. The estimate of expected losses on unfunded commitments is calculated based on the loss rate for the loan or lease segment in which the loan or lease commitments would be classified if funded, adjusted for the estimate of funding probability. Additional provisions applied to the allowance are recognized in the provision for credit losses on the Consolidated Statements of Income.

The following table details activity in the allowance for credit losses on unfunded commitments during the year ended December 31, 2025 and 2024:

	Year Ended December 31,	
	2025	2024
Beginning balance	\$ 558	\$ 1,642
Reversal of provision for credit losses	(230)	(1,084)
Ending balance	<u>\$ 328</u>	<u>\$ 558</u>

Note 7: Premises and Equipment

	2025	2024
Cost		
Land	\$ 3,061	\$ 3,061
Buildings	16,184	15,705
Furniture and equipment	8,812	8,153
Computer software	1,211	1,211
Construction in progress	716	506
Total cost	<u>29,984</u>	<u>28,636</u>
Accumulated depreciation and amortization	<u>(16,587)</u>	<u>(15,714)</u>
Net	<u>\$ 13,397</u>	<u>\$ 12,922</u>

Note 8: Leases

The Company enters into leases for certain retail branches, land, and office space. Operating leases are included in other assets and the lease liability is included in other liabilities in our balance sheets. The Company does not have any finance leases.

Lease right-of-use (ROU) assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company uses its incremental borrowing rate at commencement date in determining the present value of lease payments when the rate implicit in a lease is not known. The Company's incremental borrowing rate is based on the FHLB amortizing advance rate, adjusted for the lease term and other factors. The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

The Company's leases are generally for periods of five to 15 years with various renewal options. The exercise of such lease renewal options is not included in the present value of lease obligations unless it is reasonably certain that the option will be exercised. The Company has lease agreements which contain both lease and non-lease components such as common area maintenance charges, real estate taxes, and insurance. Non-lease components are not included in the measurement of the lease liability and are recognized in expense when incurred. The Company has elected not to recognize short-term leases, with original lease terms of twelve months or less, on the Company's balance sheet. Certain of the Company's lease arrangements include rental payments adjusted periodically for inflation. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Supplemental balance sheet information related to leases is presented in the table below as of December 31, 2025 and 2024:

	2025	2024
Operating lease assets	\$ 629	\$ 393
Total lease ROU assets	\$ 629	\$ 393
Operating lease liabilities	\$ 643	\$ 404
Total lease liabilities	\$ 643	\$ 404
Weighted average remaining lease term (years)		
Operating leases	7.1	6.2
Weighted average discount rate		
Operating leases	3.86 %	3.37 %

The table below presents the components of lease expense for the years ended December 31, 2025 and 2024:

	2025	2024
Lease cost:		
Operating lease cost	\$ 104	\$ 92
Total lease cost:	\$ 104	\$ 92

Supplemental cash flow information related to leases is presented in the tables below.

Maturity of lease liabilities	
2026	\$ 99
2027	101
2028	103
2029	88
2030	84
Thereafter	270
Total lease payments	\$ 745
Less: Present value discount	102
Present value of lease liabilities	<u>\$ 643</u>

Note 9: Loan Servicing

Mortgage loans serviced for others are not included in the accompanying consolidated balance sheets. The unpaid principal balances of mortgage loans serviced for others totaled \$221,623,000 and \$226,528,000 at December 31, 2025 and 2024, respectively.

The aggregate fair value of capitalized servicing rights at December 31, 2025 and 2024 totaled approximately \$2,160,000 and \$2,559,000, respectively. Comparable market values and a valuation model that calculates the present value of future cash flows were used to estimate fair value. For purposes of measuring impairment, risk characteristics including product type, investor type and interest rates, were used to stratify the originated mortgage-servicing rights.

	2025	2024
Servicing Rights		
Balances, beginning of period	\$ 1,951	\$ 1,945
Servicing rights capitalized	141	198
Amortization of servicing rights	(209)	(192)
Balances, end of period	<u>\$ 1,883</u>	<u>\$ 1,951</u>

Note 10: Qualified Affordable Housing Investments

The Company has investments in certain limited partnerships that fund affordable housing projects and provide the Company with low income housing tax credits ("LIHTC"). At December 31, 2025 and 2024, the balance of these investments in LIHTC totaled \$775,000 and \$951,000, respectively. These balances are reflected in the other assets line of the Condensed Consolidated Balance Sheet. The assets are amortized as a component of the provision for income taxes.

The following table summarizes the amortization expense and tax credits recognized for the Company's LIHTC investments for the years ended December 31, 2025 and 2024:

	Year Ended December 31,	
	2025	2024
Amortization expense	\$ 175	\$ 178
Tax credits recognized	185	184

Note 11: Deposits

	2025	2024
Demand deposits	\$ 448,790	\$ 434,228
Savings deposits	114,501	112,499
Brokered certificates	235,947	257,587
Certificates and other time deposits greater than \$250,000	82,646	67,493
Other certificates and time deposits	233,009	222,133
	<u>\$ 1,114,893</u>	<u>\$ 1,093,940</u>

Certificates and other time deposits maturing in years ending December 31:

2026	\$ 411,664
2027	115,493
2028	18,007
2029	2,356
2030	3,201
Thereafter	881
	<u>\$ 551,602</u>

Note 12: Borrowings

First Bank has Federal Home Loan Bank advances, with interest rates ranging from 1.06% to 5.16%.

The maturities of FHLB advances at December 31, 2025 were as follows:

	FHLB Advances
2026	\$ 136,000
2027	48,000
2028	29,000
2029	7,000
2030	20,000
	<u>\$ 240,000</u>

First mortgage loans and investment securities totaling \$581,473,000 and \$539,251,000 were pledged as collateral for FHLB advances at December 31, 2025 and 2024, respectively. Certain advances are subject to restrictions or penalties in the event of prepayment.

FHLB advances totaling \$27,000,000 are subject to an option by the FHLB to put the entire advance to a periodic adjustable rate on the lock-out date. The adjustable rate would be for the remaining term at a predetermined rate based on the Secured Overnight Financing Rate, or SOFR. If the FHLB exercises its option to convert the advance to an adjustable rate, the advance will be prepayable at the Company's option, at par and without a penalty.

The Bank has an available line of credit with the FHLB totaling \$10,000,000. The line of credit expires April 2025, renews annually, and bears interest at a rate equal to the current variable advance rate. At December 31, 2025, the current interest rate was 4.02%. There were no amounts outstanding on the line at December 31, 2025 or 2024.

At December 31, 2025, other borrowings totaled \$12.0 million and consisted entirely of federal funds purchased. The weighted average interest rate on these borrowings was 3.75% at December 31, 2025.

Note 13: Income Tax

Pretax income from continuing operations is as follows:

	Year Ended December 31, 2025
Domestic	\$ 13,653
Foreign	—
Total	<u>\$ 13,653</u>

Income tax expense from continuing operations are as follows:

	2025	2024
Income tax expense (benefit)		
Currently payable		
Federal	\$ 2,178	\$ 1,328
State ⁽¹⁾	12	—
Deferred		
Federal	(215)	250
State ⁽¹⁾	101	(92)
Total income tax expense	<u>\$ 2,076</u>	<u>\$ 1,486</u>

(1) State taxes in Indiana make up the majority (greater than 50%) of the State taxes, net of federal benefit for 2025.

A cumulative deferred tax asset is included in other assets. The components of the asset are as follows:

	2025	2024
Assets		
Allowance for credit losses	\$ 3,880	\$ 3,816
Net operating loss carryforward	204	254
Nonaccrual interest	29	28
Investment basis	4	4
Deferred compensation	805	684
Stock compensation	327	431
ESOP	364	328
Unrealized loss on securities available for sale	9,186	12,176
Charitable contributions	—	4
Other	300	255
Total assets	15,099	17,980
Liabilities		
FHLB stock dividend	164	166
Fixed assets	108	1
Mortgage-servicing rights	435	455
Prepaid assets	475	507
Other	33	92
Total liabilities	1,215	1,221
Net deferred tax asset	\$ 13,884	\$ 16,759

Effective tax rates differ from the federal statutory rate of 21% for the year ended December 31, 2025 due to the following, in accordance with ASU 2023-09 (See Note 2 for additional details on ASU 2023-09 adoption):

	2025	
	Amount	Percent
Income before income taxes	\$ 13,653	
Federal statutory income tax	2,867	21.0 %
State taxes, net of federal benefit ⁽¹⁾	111	0.8 %
Tax credits:		
Low-income housing tax credit (net of amortization)	(30)	(0.2)%
Nontaxable or nondeductible items:		
Tax-exempt interest	(637)	(4.7)%
ESOP	1	— %
Cash surrender value - life insurance	(20)	(0.1)%
Small insurance captive premiums	(165)	(1.2)%
Stock compensation	(54)	(0.4)%
Other	3	— %
Income tax expense and effective tax rate	\$ 2,076	15.2 %

(1) State taxes in Indiana make up the majority (greater than 50%) of the State taxes, net of federal benefit for 2025.

Effective tax rates differ from the federal statutory rate of 21% for the year ended December 31, 2024 due to the following, prior to the adoption of ASU 2023-09:

Reconciliation of federal statutory to actual tax expense	2024
Federal statutory income tax at 21%	\$ 2,281
Tax-exempt interest	(672)
Effect of state income taxes	(92)
ESOP	(92)
Cash surrender value - life insurance	(19)
Low income housing tax credit	(30)
Small insurance captive premiums	(183)
Stock compensation	11
Carryforward attribute expiration	407
Other	(125)
Actual tax expense	<u>\$ 1,486</u>

Income taxes paid (net of refunds) is as follows:

	Year Ended December 31, 2025
Cash paid for taxes (net of refund received) - Federal	\$ 1,338
Cash paid for taxes (net of refund received) - State	—
Other	2
Total	<u>\$ 1,340</u>

There were no individual state or local jurisdictions with taxes paid that equaled or exceeded 5% of total income taxes paid in 2025.

As of December 31, 2025, the Company had no federal charitable contribution carryforwards. During 2025, the Company utilized a carryforward of approximately \$20,000 from December 31, 2024, to offset its federal taxable income. As of December 31, 2025, the Company had state net operating loss carryforwards of \$4.4 million, which will begin to expire in 2041.

At December 31, 2025 and 2024, the Company determined that it is more likely than not that the deferred tax assets will be realized, largely based on available tax planning strategies and its projections of future taxable income. Therefore, no valuation reserve was recorded at December 31, 2025 and 2024. The determination of the realizability of the deferred tax assets is highly subjective and dependent upon judgment concerning the evaluation of both positive and negative evidence, the forecasts of future income, applicable tax planning strategies and assessments of current and future economic and business conditions. Positive evidence includes current positive earnings trends and the probability that taxable income will be generated in future periods, while negative evidence includes any cumulative losses in the current year and prior two years and general business and economic trends. Failure to achieve sufficient projected taxable income might affect the ultimate realization of the net deferred tax assets.

Note 14: Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss, included in stockholders' equity, are as follows:

	2025	2024
Net unrealized loss on available for sale securities	\$ (43,746)	\$ (57,982)
Tax benefit	9,187	12,176
Net-of-tax amount	<u>\$ (34,559)</u>	<u>\$ (45,806)</u>

Note 15: Commitments and Contingent Liabilities

In the normal course of business, there are outstanding commitments and contingent liabilities, such as commitments to extend credit and standby letters of credit, which are not included in the accompanying consolidated financial statements. First Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instruments for commitments to extend credit and standby letters of credit is represented by the contractual or notional amount of those instruments. First Bank uses the same credit policies in making such commitments as it does for instruments that are included in the consolidated statements of financial condition.

Financial instruments whose contract amounts represent credit risk as of December 31, 2025 and 2024, were as follows:

	2025	2024
Commitments to extend credit	\$ 107,415	\$ 126,239
Standby letters of credit	\$ 2,045	\$ 1,642

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The subsidiary evaluates each customer's credit worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the subsidiary upon extension of credit, is based on management's credit evaluation. Collateral held varies, but may include residential real estate, income-producing commercial properties, or other assets of the borrower.

Standby letters of credit are conditional commitments issued by the subsidiary to guarantee the performance of the customer to a third party.

Note 16: Benefit Plans

401(k)

The Company has a retirement savings 401(k) plan, in which substantially all employees may participate. The Company matches employees' contributions at the rate of 50 percent for the first 6 percent of base salary contributed by participants. The Company's expense for the plan was \$239,000 and \$276,000 for the years ended December 31, 2025 and 2024, respectively.

Employee Stock Ownership Plan

As part of the reorganization and related stock offering, the Company established an Employee Stock Ownership Plan ("ESOP") covering substantially all employees. The ESOP acquired 1,082,130 shares of Company common stock at an average price of \$13.59 per share in the open market with funds provided by a loan from the Company. The Company is obligated at the option of each beneficiary to repurchase shares of

the ESOP upon the beneficiary's termination or after retirement. Dividends on unallocated shares used to repay the loan for the Company are recorded as a reduction of the loan or accrued interest, as applicable. Dividends on allocated shares paid to participants are reported as compensation expense. Unearned ESOP shares, which are not vested, are excluded from the computation of average shares outstanding for earnings per share calculation. Accordingly, \$9,987,000 and \$10,722,000 of common stock acquired by the ESOP was shown as a reduction of stockholders' equity at December 31, 2025 and 2024, respectively. Shares are released to participants proportionately as the loan is repaid.

ESOP expense for the years ended December 31, 2025 and 2024 was \$738,000 and \$661,000, respectively.

	December 31, 2025	December 31, 2024
Earned ESOP shares	347,201	293,095
Unearned ESOP shares	734,929	789,035
Total ESOP shares	<u>1,082,130</u>	<u>1,082,130</u>
Quoted per share price	\$ 14.04	\$ 14.15
Fair value of earned shares (in thousands)	\$ 4,875	\$ 4,147
Fair value of unearned shares (in thousands)	\$ 10,318	\$ 11,165

Richmond Mutual Bancorporation, Inc. 2020 Equity Incentive Plan

On September 15, 2020, the Company's stockholders approved the Richmond Mutual Bancorporation, Inc. 2020 Equity Incentive Plan ("2020 EIP") which provides for the grant to eligible participants of up to (i) 1,352,662 shares of Company common stock to be issued upon the exercise of stock options and stock appreciation rights and (ii) 541,065 shares of Company common stock to participants as restricted stock awards (which may be in the form of shares of common stock or share units giving the participant the right to receive shares of common stock at a specified future date).

Restricted Stock Awards. On October 1, 2020, the Company awarded 449,086 shares of common stock under the 2020 EIP with a grant date fair value of \$10.53 per share (total fair value of \$4.7 million at issuance) to eligible participants. On April 1, 2021, the Company awarded an additional 4,000 shares of common stock under the 2020 EIP with a grant date fair value of \$13.86 (total fair value of \$55,000 at issuance) to eligible participants. These awards vested in five equal annual installments with the first vesting occurring on June 30, 2021. As of December 31, 2025, these awards were fully vested.

On July 15, 2025, the Company awarded 37,126 shares of common stock under the 2020 EIP to eligible participants. The grant date fair value was \$13.37 per share, for a total fair value of \$496,000 at issuance. On November 20, 2025, the Company awarded an additional 51,253 shares of common stock under the 2020 EIP with a grant date fair value of \$12.92 (total fair value of \$662,000 at issuance) to eligible participants. These awards vest in five equal annual installments, with the first installment vesting on June 30, 2026, subject to the participant's continued service. Any shares forfeited prior to vesting may be reissued to other eligible participants in future grants until the 2020 EIP expires in September 2030.

The following table summarizes the restricted stock awards activity in the 2020 EIP for the year ended December 31, 2025.

	Year Ended December 31, 2025	
	Number of Restricted Shares	Weighted Average Grant Date Fair Value
Non-vested, beginning of year	83,379	\$ 10.55
Granted	88,379	13.11
Vested	(83,379)	10.55
Forfeited	—	—
Non-vested, end of year	<u>88,379</u>	\$ 13.11

Total compensation cost recognized in the income statement for restricted stock awards during 2025 and 2024 was \$507,000 and \$880,000, respectively, and the related tax benefit recognized was \$107,000 and \$185,000, respectively. As of December 31, 2025, unrecognized compensation expense related to restricted stock awards was \$1.1 million.

Stock Option Plan. On October 1, 2020, the Company awarded options to purchase 1,095,657 shares of common stock under the 2020 EIP with an exercise price \$10.53 per share, the fair value of a share of the Company's common stock on the date of the grant, to eligible participants. On April 1, 2021, the Company awarded options to purchase 8,000 shares of common stock under the 2020 EIP with an exercise price of \$13.86 per share, the fair value of the Company's common stock on the date of the grant, to eligible participants. The options awarded vested in five equal annual installments with the first vesting occurring on June 30, 2021. As of December 31, 2025, these awards were fully vested.

On July 15, 2025, the Company awarded options to purchase 55,467 shares of common stock under the 2020 EIP at an exercise price of \$13.37 per share, equal to the fair market value of the Company's common stock on the grant date, to eligible participants. The options vest in five equal annual installments, with the first installment vesting on June 30, 2026, subject to the participant's continued service. Options forfeited prior to vesting may be reissued to other eligible participants in future grants until the 2020 EIP expires in September 2030. The 2020 EIP permits net-settle option exercises. Under a net-settle exercise, a participant may satisfy the exercise price by withholding a portion of the shares that would otherwise be issued. Withheld shares are canceled and are no longer available for future grants.

The following table summarizes the stock option activity in the 2020 EIP during the year ended December 31, 2025.

	2025	
	Number of Shares	Weighted-Average Exercise Price
Balance at beginning of year	1,016,497	\$ 10.55
Granted	55,467	13.37
Exercised	(108,213)	10.53
Forfeited/expired	(202,899)	10.53
Balance at end of year	<u>760,852</u>	10.76
Exercisable at end of year	705,385	\$ 10.56

The fair value of options granted is estimated on the date of grant using a Black Scholes model with the following assumptions:

	<u>July 15, 2025</u>
Dividend yields	4.49 %
Volatility factors of expected market price of common stock	30.00 %
Risk-free interest rates	4.16 %
Expected life of options	6.5 years

A summary of the status of the Company stock option shares as of December 31, 2025 is presented below.

	<u>Shares</u>	<u>Weighted Average Grant Date Fair Value</u>
Non-vested, beginning of year	204,096	\$ 2.91
Vested	(204,096)	2.91
Granted	55,467	3.00
Forfeited	—	—
Non-vested, end of year	<u>55,467</u>	<u>\$ 3.00</u>

Total compensation cost recognized in the income statement for option-based payment arrangements during 2025 and 2024 was \$309,000 and \$594,000, and the related tax benefit recognized was \$31,000 and \$64,000, respectively. As of December 31, 2025, unrecognized compensation expense related to the stock option awards was \$145,000.

Note 17: Earnings Per Share

Basic earnings per share ("EPS") is computed by dividing net income allocated to common stock by the weighted average number of common shares outstanding during the period which excludes the participating securities. Diluted EPS includes the dilutive effect of additional potential common shares from stock compensation awards, but excludes awards considered participating securities. ESOP shares are not considered outstanding for EPS until they are earned. The following table presents the computation of basic and diluted EPS for the periods indicated (in thousands, except for share and per share data):

	For the Year Ended December 31, 2025	For the Year Ended December 31, 2024
Net income	\$ 11,577	\$ 9,377
Shares outstanding for Basic EPS:		
Average shares outstanding	10,502,458	11,028,029
Less: average restricted stock award shares not vested	64,308	124,747
Less: average unearned ESOP Shares	768,468	822,631
Shares outstanding for Basic EPS	9,669,682	10,080,651
Additional Dilutive Shares	231,584	148,061
Shares outstanding for Diluted EPS	9,901,266	10,228,712
Basic EPS	\$ 1.20	\$ 0.93
Diluted EPS	\$ 1.17	\$ 0.92

Note 18: Dividend and Capital Restrictions

The Bank is subject to certain restrictions on the amount of dividends that it may declare without prior regulatory approval. Generally, the Bank's payment of dividends is limited to net income for the current year plus the two preceding calendar years, less capital distributions paid over the comparable period. The Bank's payment of dividends is also subject to the restrictions of the capital conservation buffer as discussed in Note 19.

Note 19: Regulatory Capital

First Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, First Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities and certain off-balance-sheet items as calculated under U.S. GAAP, regulatory reporting requirements and regulatory capital standards. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors. Furthermore, First Bank's regulators could require adjustments to regulatory capital not reflected in these financial statements.

Quantitative measures established by regulatory capital standards to ensure capital adequacy require First Bank to maintain minimum amounts and ratios (set forth in the table below) of total and Tier I capital (as defined) to risk-weighted assets (as defined), common equity Tier I capital (as defined) to total risk-weighted assets (as defined) and of Tier I capital (as defined) to average assets (as defined). Management believes, as of December 31, 2025, that First Bank meets all capital adequacy requirements to which it is subject.

As of December 31, 2025, the most recent notification from the regulators categorized First Bank as well-capitalized under the regulatory framework for prompt corrective action. To be categorized as well-capitalized, First Bank must maintain minimum total risk-based capital, Tier I risk-based capital, common equity Tier I risk-based capital and Tier I leverage ratios as set forth in the table. There are no conditions or events since that notification that management believes have changed First Bank's category.

First Bank's actual and required capital amounts and ratios are as follows:

	Actual		Minimum for Capital Adequacy Purposes		Minimum to be Categorized as "Well-Capitalized" Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2025						
Total capital (to risk-weighted assets)	\$ 186,532	14.6 %	\$ 101,960	8.0 %	\$ 127,451	10.0 %
Tier I capital (to risk-weighted assets)	170,591	13.4	76,470	6.0	101,960	8.0
Common Equity Tier I capital (to risk-weighted assets)	170,591	13.4	57,353	4.5	82,843	6.5
Tier I leverage capital (to average assets)	170,591	11.0	62,290	4.0	77,862	5.0
As of December 31, 2024						
Total capital (to risk-weighted assets)	\$ 181,415	14.2 %	\$ 102,014	8.0 %	\$ 127,518	10.0 %
Tier I capital (to risk-weighted assets)	165,471	13.0	76,511	6.0	102,014	8.0
Common Equity Tier I capital (to risk-weighted assets)	165,471	13.0	57,383	4.5	82,887	6.5
Tier I leverage capital (to average assets)	165,471	10.7	61,579	4.0	76,974	5.0

The above minimum capital requirements exclude the capital conservation buffer required to avoid limitations on capital distributions, including share repurchases, dividend payments and certain discretionary bonus payments to executive officers. The capital conservation buffer was 2.50% of total risk weighted assets at both December 31, 2025 and December 31, 2024. The net unrealized gain or loss on available for sale securities is not included in computing regulatory capital.

Note 20: Related Party Transactions

The Company has entered into transactions with certain directors, executive officers and its affiliates or associates (related parties). Such transactions were made in the ordinary course of business on substantially the same terms and conditions, including interest rates, as those prevailing at the same time for comparable transactions with other customers. The aggregate amount of loans to such related parties at December 31, 2025 and 2024 was approximately \$8,027,000 and \$8,557,000, respectively.

Annual activity consisted of the following:

	2025	2024
Balance, beginning of the year	\$ 8,557	\$ 8,624
New loans	—	419
Change in composition	—	—
Repayments	(530)	(486)
Balance, end of the year	<u>\$ 8,027</u>	<u>\$ 8,557</u>

Deposits from related parties held by the Company at December 31, 2025 and 2024 totaled \$3,440,000 and \$3,837,000, respectively.

Note 21: Fair Values of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying consolidated balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2025 and 2024:

		Fair Value Measurements Using						
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)				
		Fair Value						
December 31, 2025								
Available-for-sale securities								
SBA Pools	\$	3,124	\$	—	\$	3,124	\$	—
Federal agencies		14,061		—		14,061		—
State and municipal obligations		131,818		—		130,339		1,479
Mortgage-backed securities - GSE residential		93,105		—		93,105		—
Corporate obligations		9,807		—		9,807		—
	\$	251,915	\$	—	\$	250,436	\$	1,479

Fair Value Measurements Using

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024				
Available-for-sale securities				
U.S. Treasury securities	\$ 3,161	\$ 3,161	\$ —	\$ —
SBA Pools	3,700	—	3,700	—
Federal agencies	13,334	—	13,334	—
State and municipal obligations	130,359	—	130,359	—
Mortgage-backed securities - GSE residential	98,313	—	98,313	—
Corporate obligations	9,325	—	9,325	—
	<u>\$ 258,192</u>	<u>\$ 3,161</u>	<u>\$ 255,031</u>	<u>\$ —</u>

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying consolidated balance sheets, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2025.

Available-for-Sale Securities

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy, which includes equity securities. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Level 2 securities include agency securities, obligations of state and political subdivisions, mortgage-backed securities, and SBA pools. Matrix pricing is a mathematical technique widely used in the banking industry to value investment securities without relying exclusively on quoted prices for specific investment securities but rather relying on the investment securities' relationship to other benchmark quoted investment securities. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

During the year ended December 31, 2025, approximately \$1.4 million of state and municipal obligations were transferred from Level 2 to Level 3 due to the absence of observable market inputs used in the valuation at year-end, requiring the use of significant unobservable inputs. Changes in fair value of approximately \$154,000 were recognized in other comprehensive income, resulting in an aggregate Level 3 balance of approximately \$1.5 million at December 31, 2025. There were no sales, settlements, or transfers out of Level 3 during the year.

Nonrecurring Measurements

As of December 31, 2025 and 2024, there were no assets or liabilities measured at fair value on a nonrecurring basis.

Fair Value of Financial Instruments

The following tables present estimated fair values of the Company's financial instruments at December 31, 2025 and 2024.

	Carrying Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2025				
Financial assets				
Cash and cash equivalents	\$ 33,130	\$ 33,130	\$ —	\$ —
Interest-earning time deposits	2,070	—	—	—
Available-for-sale securities	251,915	—	250,436	1,479
Held-to-maturity securities	2,748	—	2,717	—
Loans held for sale	828	—	—	828
Loans and leases receivable, net	1,176,813	—	—	1,148,160
FHLB stock	13,907	—	13,907	—
Interest receivable	6,300	—	6,300	—
Financial liabilities				
Deposits	1,114,893	—	1,117,026	—
FHLB advances	240,000	—	240,832	—
Other borrowings	12,000	—	12,041	—
Interest payable	3,457	—	3,457	—
December 31, 2024				
Financial assets				
Cash and cash equivalents	\$ 21,757	\$ 21,757	\$ —	\$ —
Interest-earning time deposits	300	—	300	—
Available-for-sale securities	258,192	3,161	255,031	—
Held-to-maturity securities	3,498	—	3,421	—
Loans held for sale	1,093	—	—	1,093
Loans and leases receivable, net	1,158,879	—	—	1,099,274
FHLB stock	13,907	—	13,907	—
Interest receivable	6,030	—	6,030	—
Financial liabilities				
Deposits	1,093,940	—	1,095,961	—
FHLB advances	265,000	—	264,162	—
Interest payable	4,832	—	4,832	—

While these estimates of fair value are based on management's judgment of the most appropriate factors, there is no assurance that were the Company to have disposed of such items at December 31, 2025 and 2024, the estimated fair values would necessarily have been achieved at that date, since market values may differ depending on various circumstances. The estimated fair values at December 31, 2025 and 2024 should not necessarily be considered to apply at subsequent dates.

The following methods were used to estimate the fair value of all other financial instruments recognized in the accompanying consolidated balance sheets at amounts other than fair value.

Cash and Cash Equivalents, Interest-Earning Time Deposits and Federal Home Loan Bank Stock – The carrying amount approximates fair value.

Held-to-Maturity Securities – Fair value is based on quoted market prices, if available. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities.

Loans and Leases – The fair value of loans and leases is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities. Loans with similar characteristics were aggregated for purposes of the calculations. The carrying amount of accrued interest approximates its fair value.

Deposits – Deposits include demand deposits, savings accounts, NOW accounts and money market deposits. The carrying amount approximates fair value. The fair value of fixed-maturity time deposits is estimated using a discounted cash flow calculation that applies the rates currently offered for deposits of similar remaining maturities.

Interest Receivable and Interest Payable – The carrying amount approximates fair value.

Federal Home Loan Bank Advances – Rates currently available to the Company for borrowings with similar terms and remaining maturities are used to estimate the fair value of existing debt.

Note 22: Condensed Financial Information (Parent Company Only)

Presented below is condensed financial information as to financial position, results of operations and cash flows of the Company:

Condensed Balance Sheets

	2025	2024
Assets		
Cash and cash equivalents	\$ 2,963	\$ 5,545
Investment in subsidiaries	139,056	122,733
Other assets	6,399	6,987
Total assets	<u>\$ 148,418</u>	<u>\$ 135,265</u>
Other Liabilities	<u>\$ 2,637</u>	<u>\$ 2,393</u>
Stockholders' Equity	145,781	132,872
Total liabilities and stockholders' equity	<u>\$ 148,418</u>	<u>\$ 135,265</u>

Condensed Statements of Income and Comprehensive Income

	2025	2024
Income:		
Dividends from bank subsidiary	\$ 8,000	\$ 4,750
Dividends from captive subsidiary	890	—
Other income	509	587
Total income	9,399	5,337
Other expenses	2,976	2,875
Income before income tax benefit and undistributed subsidiary income	6,423	2,462
Income tax benefit	(561)	(301)
Equity in undistributed income of subsidiaries (dividends in excess of net income):		
Bank subsidiary	4,572	5,629
Captive subsidiary	21	985
Net income	<u>\$ 11,577</u>	<u>\$ 9,377</u>
Comprehensive income	<u>\$ 22,824</u>	<u>\$ 6,616</u>

Condensed Statements of Cash Flows

	2025	2024
Operating Activities		
Net income	\$ 11,577	\$ 9,377
Adjustments to reconcile net income to net cash from operating activities:		
Equity in undistributed net income of subsidiaries	(4,593)	(6,614)
ESOP expense	738	661
Stock based compensation	816	1,474
Changes in other assets and other liabilities	349	(1,839)
Net cash provided by operating activities	8,887	3,059
Investing Activities		
Net cash used in investing activities	—	—
Financing Activities		
Dividends paid	(5,835)	(5,697)
Repurchase of common stock	(5,634)	(5,042)
Net cash used in financing activities	(11,469)	(10,739)
Net Change in Cash and Cash Equivalents	(2,582)	(7,680)
Cash and Cash Equivalents, Beginning of Period	5,545	13,225
Cash and Cash Equivalents, End of Period	<u>\$ 2,963</u>	<u>\$ 5,545</u>

Note 23: Segment Information

The Company has one reportable segment: community banking. The Company's reportable segment is determined by the Chief Executive Officer, who serves as the chief operating decision maker ("CODM"), based on information regarding the Company's products and services. The CODM evaluates the financial performance of the Company's business components by assessing revenue streams, significant expenses, and budget-to-actual results.

The Company's primary source of revenue is providing banking services to its customers. Significant expenses associated with banking operations include interest expense, credit loss expense, and salaries and employee benefits. The CODM evaluates performance, directs resource allocation, and makes key operating decisions based on consolidated net income reported in the Consolidated Statements of Income. Segment assets are measured based on total consolidated assets as reported in the Consolidated Balance Sheets.

Note 24: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Estimates related to the allowance for loan losses are reflected in the footnote regarding loans. Current vulnerabilities due to certain concentrations of credit risk are discussed in the footnote on commitments and credit risk. Other significant estimates and concentrations not discussed in those footnotes include:

General Litigation – The Company is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position, results of operations and cash flows of the Company.

Note 25: Subsequent Events

Subsequent events have been evaluated through March 23, 2026, which is the date the consolidated financial statements were issued.

Item 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

An evaluation of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934 (the “Act”)) as of December 31, 2025, was carried out under the supervision and with the participation of our Chief Executive Officer (principal executive officer), Chief Financial Officer (principal financial officer) and several other members of our senior management. Our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures in effect as of December 31, 2025, were effective. We intend to continually review and evaluate the design and effectiveness of the Company's disclosure controls and procedures and to improve the Company's controls and procedures over time and to correct any deficiencies that we may discover in the future. The goal is to ensure that senior management has timely access to all material financial and non-financial information concerning the Company's business. While we believe the present design of the disclosure controls and procedures is effective to achieve its goal, future events affecting its business may cause the Company to modify its disclosure controls and procedures.

(b) Internal Control Over Financial Reporting

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Richmond Mutual Bancorporation is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance to the Company's management and board of directors regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. There are inherent limitations in the effectiveness of any system of internal control over financial reporting, including the possibility of human error and circumvention or overriding of controls. Accordingly, even an effective system of internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework (2013). Based on this assessment, we concluded that, as of December 31, 2025, the Company's internal control over financial reporting was effective based on those criteria.

(c) Changes in Internal Controls over Financial Reporting

As required by Rule 13a-15(d), our management, including our Chief Executive Officer and Chief Financial Officer, also conducted an evaluation of our internal control over financial reporting to determine whether any changes occurred during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. There were no changes in our internal controls over financial reporting (as defined in Rule 13a-15(f) under the Act) that occurred during the quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

We do not expect that our disclosure controls and procedures and internal control over financial reporting will prevent all error and all fraud. A control procedure, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the control procedure are met. Because of the inherent limitations in all control procedures, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls may be circumvented by the individual acts of some persons, by collusion of two or more people, or by override of the control. The design of any control procedure is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Because of the inherent limitations in a cost-effective control procedure, misstatements due to error or fraud may occur and not be detected.

Item 9B. Other Information

(a) None.

(b) During the year ended December 31, 2025, there were no Rule 10b5-1 trading arrangements (as defined in Item 408(a) of Regulation S-K) or non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K) adopted or terminated by any director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Business Experience and Qualifications of Directors and Director Nominees

The business experience of each director and director nominee of Richmond Mutual Bancorporation for at least the past five years and the experience, qualifications, attributes, skills and areas of expertise of each director that supports his or her service as a director are set forth below.

Garry D. Kleer. Mr. Kleer currently serves as Chairman, President and Chief Executive Officer of Richmond Mutual Bancorporation and as Chairman and Chief Executive Officer of First Bank Richmond. Mr. Kleer joined the Bank in 1994 as Vice President of Commercial Lending and was promoted in 2001 to President and Chief Executive Officer. He also serves as Chairman of the Mutual Federal advisory board of directors. Mr. Kleer is a member of the American Bankers Association's Membership Council. During 2022, Mr. Kleer served as Chairman of the Indiana Bankers Association ("IBA") and continues to serve on its board as the ABA constituent director. Mr. Kleer was named a Sagamore of the Wabash and inducted into the IBA Leaders in Banking Excellence in 2022. Mr. Kleer's community involvement includes service on the boards of the Boys & Girls Clubs of Wayne County, Richmond Symphony Orchestra, and Reid Health. He has also been recognized with the Indiana University East Chancellor's Medallion, Junior Achievement Business Hall of Fame, Richmond/Wayne County Distinguished Community Leader, and Boys & Girls Clubs Man and Youth Award. In 2020, he was awarded the Indiana University Bicentennial Medal for distinguished service. Mr. Kleer is a graduate of Indiana University, the ABA Graduate School of Commercial Lending and the Stonier Graduate School of Banking. With 40+ years of experience working in the banking industry, his service on the boards of numerous community organizations and his extensive involvement in our community, Mr. Kleer brings outstanding leadership skills and a deep understanding of the local banking market and issues facing the banking industry.

E. Michael Blum. Mr. Blum sold his business in 2023 and is now retired. Since 1987, he was the President and Owner of Bullerick's, a furniture and mattress store located in Richmond, Indiana, which had been in business since 1930. He is a member of the Richmond Redevelopment Commission and was a past president and director of Main Street Center City Development, a former community-based nonprofit organization dedicated to the revitalization of the historic downtown area of Richmond, Indiana. Mr. Blum's years of work owning and operating Bullerick's has provided him with strong leadership, management, financial and administrative skills, which together with his 30 years of service as a bank director, brings valuable knowledge and skills to our organization. In addition, his participation in our local business community for over 30 years brings knowledge of the local economy and business opportunities to First Bank Richmond.

Harold T. Hanley, III. Mr. Hanley, until his retirement in August 2019, was a Managing Director of Keefe, Bruyette & Woods, Inc., a Stifel Company ("KBW"). He joined KBW in January of 1995 after 14 years as Chief Financial Officer of two financial institutions located in the Midwest. Prior to entering the financial services industry, Mr. Hanley was with KPMG (Peat Marwick & Co.) for several years. During his career with KBW, Mr. Hanley led many financial institutions in their mutual conversions and stock offerings. He has also managed both the buy and sell sides of many merger and acquisition transactions of financial institutions, provided financial consulting services to clients in conjunction with their capital management strategies, and provided advice to assist in reaching their financial objectives. Over the years Mr. Hanley has been a regular speaker at various banking conferences. Mr. Hanley earned his Bachelor of Business Administration degree from The University of Toledo in 1975 and obtained his CPA license in 1976. Mr. Hanley's extensive experience in the financial institutions industry, and with capital markets and merger and acquisition transactions gives him a specialized knowledge which he draws upon for service on our Board.

Jeffrey A. Jackson. Mr. Jackson retired from Brady Ware & Company, a regional accounting firm, in June 2025. He joined Brady Ware & Company in 1980, became a director in the firm in 1989, and served on its executive committee until December 2018. Mr. Jackson represented clients in a wide variety of industries including manufacturers, contractors, retailers, agricultural businesses, and professionals, with a focus on tax and financial planning issues of business owners and their closely-held businesses. Mr. Jackson currently serves as a member of the board of the Richmond Symphony Orchestra. His past board service includes the Board of Directors of the Economic Development Corporation of Wayne County, the Reid Health Foundation, and the Forest Hills Country Club, where he also served as president. Mr. Jackson joined the United States Army upon graduation from high school and, following his military service, graduated Magna Cum Laude with a degree in accounting from Ball State University. Mr. Jackson, who serves as our audit committee financial expert, is a Certified Public Accountant and has received his Personal Financial Specialist credentials from the American Institute of Certified Public Accountants. Mr. Jackson was inducted into the Eastern Indiana Junior Achievement Business Hall of Fame in 2017. Mr. Jackson's qualifications

to serve as a Board member include his extensive and varied accounting experience, as well as his knowledge of and involvement in the communities we serve.

M. Lynn Wetzel. Mr. Wetzel began working in the automobile industry in 1973, purchasing his first dealership in Pittsburgh, Pennsylvania, a Mercedes-Benz dealership, in 1983. Mr. Wetzel currently owns and operates four dealerships in Richmond, Indiana, which include Honda and Dodge dealerships purchased in 1998, Chrysler and Jeep dealerships purchased in 2004, and Ford and Chevrolet dealerships purchased in 2007. He serves as a trustee on the board of the Boys and Girls Clubs of Wayne County, is a former board member of the Wayne County Area Chamber of Commerce, past president and former board member of the Pittsburgh Auto Dealers Trade Association and former board member of the Pennsylvania Automobile Dealers Association. Mr. Wetzel also actively supports multiple charitable causes in the community including sponsorship, in partnership with First Bank Richmond and the Wayne County Area Chamber of Commerce, of the “Every Day Counts” program which gives an automobile or scholarship annually to a senior high school student with perfect attendance during the school year. Mr. Wetzel’s business acumen, including his broad range of knowledge in the areas of finance, leasing, negotiations and day-to-day business operations resulting from his extensive career in the automobile industry makes him a valuable asset to our Board and the committees on which he serves.

Kathryn Girtten. Mrs. Girtten, retired, served as Chancellor of Indiana University East from July 2013 to July 2022, and Acting Chancellor of Indiana University Southeast from August 2021 to July 2022. Both are regional campuses of Indiana University. As Chancellor, Mrs. Girtten exercised broad responsibilities for all aspects of the academic, student, financial, development and administrative operations of the campus in coordination with Indiana University central administration. Her responsibilities also included strategic planning, risk assessment (including Information Technology threats and security), federal and state regulatory compliance and maintenance of accreditation standards. Prior to joining Indiana University East in 2013, Mrs. Girtten was Provost and Vice President for Academic Affairs at California State University, Monterey Bay, from 2007 to 2013, leading all aspects of the academic operations of the university and serving as its second-in-command. Before that she was at Northern Arizona University from 1989 to 2006, serving in several positions, including four years as Dean of the College of Social and Behavioral Sciences. Mrs. Girtten serves on the board of trustees of the Richmond Art Museum, on the Community Well-Being Committee of Reid Health, and is a former board member of the Wayne County Chamber of Commerce, the Wayne County Foundation, Reid Health, and the Richmond Symphony Orchestra. She has been honored with the Indiana University President’s Medal, the Wayne County Area Chamber of Commerce Art Vivian Distinguished Community Leader Award, the Amigos Community Achievement Award and the Wayne County ATHENA Leadership Award. She earned her BA from Middlebury College, followed by an M.A. and Ph.D. from the University of Chicago. Mrs. Girtten’s extensive leadership, management and strategic planning experience, as well as her civic and community involvement, provide her with valuable skills beneficial to our Board and the committees on which she serves.

Business Experience of Executive Officers

Information concerning our executive officers is contained under the heading "Information About Our Executive Officers" under Part I, Item 1 of this Form 10-K and is incorporated herein by reference.

Delinquent Section 16 Reports

Section 16(a) of the Securities Exchange Act of 1934 requires the Company’s directors and executive officers, and persons who beneficially own more than 10% of the Company’s common stock, to file reports of ownership and changes in ownership with the SEC. Based solely on the Company’s review of copies of such reports filed with the SEC and written representations from these reporting persons, the Company believes that all Section 16(a) filing requirements applicable to its directors, executive officers and greater-than-10% beneficial owners were complied with during the year ended December 31, 2025, except as described below.

On June 13, 2025, a Form 3 reporting the initial beneficial ownership of the Company’s common stock was filed late on behalf of William A. Daily, Jr., Ohio Market President of Mutual Federal, a division of First Bank Richmond. No transactions were required to be reported.

Board of Directors’ Meetings and Committees and Corporate Governance

Board Leadership Structure. We currently combine the positions of Chief Executive Officer and Chairman into one position. We believe that this structure is appropriate for the Company because of the primarily singular operating environment of the Company and First Bank Richmond, with our predominant focus on being a provider of retail financial services. Having the Chief Executive Officer and Chairman involved in the daily operations of this focused line of operations improves the communication between management and the Board and ensures that the Board’s interest is represented in our daily operations,

particularly with regard to risk management. Because the Chief Executive Officer and Chairman positions are currently combined, the Board of Directors decided to designate a non-management director (currently Director Blum) to serve as lead director. The lead director is responsible for presiding over executive sessions of the non-management directors held outside the presence of the Chairman, and for serving as a liaison between the non-management directors and the Chairman.

Board Role in Risk Oversight. Our Board of Directors is responsible for consideration and oversight of risks facing Richmond Mutual Bancorporation and is responsible for ensuring that material risks are identified and managed appropriately. The Audit Committee meets quarterly with management, or more frequently as needed, in order to review our major financial risk exposures and the steps management is taking to monitor and control such exposures. The Information Technology Board Committee and IT Steering Committee work to manage our technology and cyber risks. These committees work to ensure compliance with regulatory requirements. Several of our Board members serve on the Information Technology Board Committee, while the IT Steering Committee is appointed by our Board of Directors. Directors also serve on various committees that focus on major areas of risk to Richmond Mutual Bancorporation and First Bank Richmond that include but are not limited to loans and compensation. Directors discuss risk and risk mitigation strategies with management within these committees. All risk oversight discussions are included in committee reports to the full Board of Directors.

Insider Trading Policy. The Company has an insider trading policy governing the purchase, sale, and other dispositions of Company securities that applies to all Company personnel, including directors, officers, employees, and other covered persons, which is also followed by the Company. We believe our insider trading policy and repurchase procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to the Company. A copy of the Company's insider trading policy was filed as Exhibit 19.1 to its Annual Report on Form 10-K for the year ended December 31, 2024.

The Company's insider trading policy, among other things, prohibits the Company's directors and executive officers from holding Company stock in a margin account or pledging Company stock as collateral for a loan. In addition, the policy prohibits directors and executive officers of the Company from using any financial instruments (including without limitation prepaid variable forward contracts, equity swaps, collars, and exchange funds) or otherwise engaging in transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of the Company's securities owned by the director or executive officer.

Equity Grant Timing Practices. The Compensation Committee approves all equity awards granted to the Company's named executive officers on or before the applicable grant date. From time to time, the Compensation Committee may grant equity awards for various purposes, including in connection with new hires, promotions, retention, recognition, or other circumstances the Compensation Committee deems appropriate. While the Compensation Committee has discretion to approve equity awards at any time, the Company does not have a practice or policy of granting equity awards in anticipation of the release of material nonpublic information. In addition, the Company does not time the disclosure of material nonpublic information for the purpose of affecting the value of equity awards granted to its named executive officers. During fiscal year 2025, the Company did not grant equity awards to any named executive officer during any period in which disclosure under Item 402(x) of Regulation S-K would have been required.

Board Meetings and Committees. Meetings of Richmond Mutual Bancorporation's Board of Directors are generally held on a quarterly basis. The membership of First Bank Richmond's Board of Directors is identical to Richmond Mutual Bancorporation's Board of Directors. Meetings of First Bank Richmond's Board of Directors are generally held on a monthly basis. For the year ended December 31, 2025, the Board of Directors of Richmond Mutual Bancorporation held four regular meetings and two special meetings, and the Board of Directors of First Bank Richmond held 12 regular meetings and no special meetings. During 2025, no incumbent director attended fewer than 75% in the aggregate of the total number of meetings of each Board and the total number of meetings held by the committees of each Board on which committees he or she served.

The Board of Directors of Richmond Mutual Bancorporation has standing Compensation, Audit, and Corporate Governance and Nominating committees. Information regarding the functions of the Board's committees, their present membership and the number of meetings held by each committee for the year ended December 31, 2025, is set forth below:

Compensation Committee. The Compensation Committee operates under a formal written charter adopted by the Board of Directors. The Compensation Committee is responsible for: (i) determining and evaluating the compensation of the Chief Executive Officer and other executive officers; (ii) reviewing and monitoring existing compensation plans, policies and programs and recommending changes to the goals and objectives of these plans, policies and programs to the entire Board; and (iii) reviewing and recommending new compensation plans, policies and programs. The Compensation Committee also recommends to the Board of Directors any changes in the compensation structure for non-employee directors and conducts an annual performance review of the Chief Executive Officer. The Compensation Committee does not delegate its authority to any

one of its members or any other person, however, Mr. Kleer does make recommendations to the Compensation Committee for all compensation, except his own.

The Compensation Committee currently is comprised of Directors Wetzel (chair), Girtten, and Hanley, each of whom is “independent” as that term is defined for compensation committee members in the Nasdaq Marketplace Rules (the “Nasdaq Rules”). The Compensation Committee is scheduled to meet at least once a year and on an as-needed basis. The Compensation Committee met four times during 2025.

Audit Committee. The Audit Committee operates pursuant to a written charter adopted by the Board of Directors. The Audit Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities with respect to the integrity of the Company’s consolidated financial statements and financial reporting processes; the Company’s systems of internal accounting and financial controls; compliance with legal and regulatory requirements; the independent audit of the Company’s consolidated financial statements; the qualifications, independence, and performance of the Company’s independent auditors; and the performance of the Company’s internal audit function. The Audit Committee is directly responsible for the appointment, compensation, retention, and oversight of the Company’s independent auditors, including the pre-approval of all audit and permitted non-audit services.

The Audit Committee is comprised of Directors Jeffrey A. Jackson (Chair), Harold T. Hanley III, and Kathryn Girtten. During 2025, the Audit Committee held four meetings.

The Board of Directors has determined that each member of the Audit Committee is independent as defined under the Nasdaq Listing Rules and meets the independence requirements of Section 10A(m)(3) of the Securities Exchange Act of 1934. The Board has also determined that each Audit Committee member is financially literate and able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement, as required by the Nasdaq listing standards.

The Board of Directors has further determined that Mr. Jackson qualifies as an “audit committee financial expert,” as defined in Item 407(d)(5) of Regulation S-K promulgated by the Securities and Exchange Commission.

Corporate Governance and Nominating (CGN) Committee. Our CGN Committee currently is comprised of Directors Blum (chair), Girtten, Wetzel, and Jackson, each of whom is “independent” as that term is defined for compensation committee members in the Nasdaq Rules. The CGN Committee is scheduled to meet at least once a year and on an as-needed basis. The CGN Committee met one time during 2025. The CGN Committee operates under a formal written charter adopted by the Board of Directors. The CGN Committee is responsible for identifying and recommending director candidates to serve on the Board of Directors. Final approval of director nominees is determined by the full Board, based on the recommendations of the CGN Committee. The nominees for election at the meeting identified in this document were recommended to the Board by the CGN Committee. The CGN Committee has the following responsibilities under its charter:

- (i) recommend to the Board the appropriate size of the Board and assist in identifying, interviewing and recruiting candidates for the Board;
- (ii) recommend candidates (including incumbents) for election and appointment to the Board of Directors, subject to the provisions set forth in the Company’s charter and bylaws relating to the nomination or appointment of directors, based on the following criteria: (i) business experience, education, integrity, reputation, independence, conflicts of interest, diversity, and age; (ii) number of other directorships and commitments (including charitable obligations); (iii) tenure on the Board; (iv) attendance at Board and committee meetings; (v) stock ownership; (vi) specialized knowledge (such as an understanding of banking, accounting, marketing, finance, regulation, and public policy); (vii) residency and a commitment to the Company’s communities and shared values; and (viii) overall experience in the context of the needs of the Board as a whole. As a general rule, it is the desire of the Board of Directors that directors shall live and/or work in the communities served by the Company’s subsidiary bank
- (iii) consider and evaluate nominations from stockholders using the same criteria as all other nominations;
- (iv) annually recommend to the Board committee assignments and committee chairs on all committees of the Board, and recommend committee members to fill vacancies on committees as necessary; and
- (v) perform any other duties or responsibilities expressly delegated to the CGN Committee by the Board.

The CGN Committee reviews the requisite skills and characteristics of Board members as well as the composition of the Board as a whole when recommending nominees for the Board. The CGN Committee has no predefined minimum criteria for selecting director nominees, although it believes that all directors should share qualities such as business experience, excellent decision-making ability, good judgment, personal integrity and outstanding reputation. In any given search, the CGN Committee may also define particular characteristics for candidates to balance the overall skills and characteristics of the Company's Board and its perceived needs. However, during any search, the CGN Committee reserves the right to modify its stated search criteria for exceptional candidates.

Pursuant to the Company's bylaws, no person 76 years of age or older is eligible for election, re-election, appointment or re-appointment to the Company's Board of Directors. No director who has attained the age of 76 shall continue to serve as a director beyond the annual meeting of stockholders at which his or her term as a director expires.

Nominations of persons for election to the Board of Directors may be made only by or at the direction of the Board of Directors or by any stockholder entitled to vote for the election of directors who complies with the notice procedures. Pursuant to the Company's bylaws, nominations for directors by stockholders must be made in writing and received by the Secretary of the Company at the Company's principal executive offices no earlier than 120 calendar days prior to the meeting date and no later than 90 calendar days prior to the meeting date. If, however, less than 100 calendar days' notice or public announcement of the date of the meeting is given or made to stockholders, the Company must receive nominations not later than the close of business on the tenth calendar day following the earlier of the day on which notice of the date of the meeting was mailed or otherwise transmitted or the day on which public announcement of the date of the meeting was first made. In addition to meeting the applicable deadline, nominations must be accompanied by certain information specified in the Company's bylaws.

This description is a summary of our nominating process. Any stockholder wishing to propose a director candidate to the Company should review and must comply in full with the procedures set forth in the Company's charter and bylaws, as well as the requirements of Rule 14a-19 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

There have been no material changes to the procedures by which shareholders may recommend nominees to our Board of Directors since last disclosed to shareholders.

Communications with Directors. Any stockholder desiring to communicate with the Board of Directors, or one or more specific members thereof, should communicate in writing addressed to Lead Director, Richmond Mutual Bancorporation, Inc., 31 North 9th Street, Richmond, Indiana, 47374.

Attendance Policy at Annual Meetings. Although we do not have a formal policy regarding director attendance at annual meetings of stockholders, directors are expected to attend these meetings. All of the Company's directors attended last year's annual stockholder meeting to the extent they were directors of the Company as of that date.

Committee Charters. The charters of the Audit, Compensation and CGN Committees are posted on our websites at www.firstbankrichmond.com and www.mutualfederal.com and can be found by clicking on the "Investor Relations" link located at the bottom of our home page.

Code of Ethics. We have adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer, and persons performing similar functions, and to all of our other employees and our directors. You may obtain a copy of the code of ethics free of charge by writing to the Corporate Secretary of Richmond Mutual Bancorporation, 31 North 9th Street, Richmond, Indiana, 47374 or by calling (765) 962-2581. In addition, the code of ethics is available on our websites at www.firstbankrichmond.com and www.mutualfederal.com and can be found by clicking on the "Investor Relations" link located at the bottom of our home page.

Item 11. Executive Compensation

Summary Compensation Table. The table below summarizes for the years ended December 31, 2025 and/or 2024 the total compensation paid to or earned by Garry Kleer, the Company's Chairman, President and Chief Executive Officer, and our two other most highly compensated executive officers. Each individual listed in the table below is referred to as a "named executive officer."

Name and principal position	Year	Salary (\$)	Bonus (\$) ⁽¹⁾	Stock Awards (\$) ⁽²⁾	Option Awards (\$) ⁽³⁾	All Other Compensation (\$)	Total (\$)
Garry D. Kleer	2025	\$ 505,385	\$ 150,000	\$ 662,189	\$ —	\$ 91,815 ⁽⁴⁾	\$ 1,409,388
Chairman, President, and CEO of the Company; Chairman and CEO of First Bank Richmond	2024	490,385	145,350	—	—	92,595	728,330
Paul J. Witte	2025	255,192	40,350	106,251	7,308	32,261 ⁽⁵⁾	441,362
President and Chief Operating Officer of First Bank Richmond	2024	242,308	30,350	—	—	30,661	303,319
Bradley M. Glover	2025	185,385	45,350	323,273	66,546	31,536 ⁽⁶⁾	652,090
Sr. Vice President and Chief Financial Officer of the Company and the Bank							

(1) Amounts in this column represent a discretionary bonus.

(2) Represents the grant date fair value, under FASB ASC Topic 718, of 51,253 shares of Company common stock granted to Mr. Kleer on November 20, 2025, and 7,947 shares and 24,179 shares of Company common stock granted to Messrs. Witte and Glover, respectively, on July 15, 2025. The shares vest in five equal annual installments commencing on June 30, 2026. For additional information, see “- Outstanding Equity Awards at December 31, 2025” below.

(3) Reflects the value of stock options to purchase 2,520 shares and 22,947 shares of Company common stock granted to Messrs. Witte and Glover, respectively on July 15, 2025. The amounts in this column are calculated using the grant date fair values of the awards under FASB ASC Topic 718, based on the fair value of the stock option awards, as estimated using the Black-Scholes option-pricing model. The assumptions used in the calculation of these amounts are included in Note 16 of the Notes to Consolidated Financial Statements contained in Part II, Item 8. of this Form 10-K. For additional information, see “Outstanding Equity Awards at December 31, 2025” below.

(4) Includes \$38,500 paid to Mr. Kleer for his service as a director on the boards of directors of First Bank Richmond and Richmond Mutual Bancorporation; \$5,000 paid to Mr. Kleer for his service as an advisory director on the Mutual Federal advisory board; \$12,882 in dividends paid on restricted shares of Company common stock; \$9,315 in 401(k) plan matching contributions; and \$26,118 in common stock allocations to Mr. Kleer under the ESOP.

(5) Includes \$4,007 in dividends paid on restricted shares of Company common stock; \$6,231 in 401(k) plan matching contributions; and \$22,022 in common stock allocations to Mr. Witte under the ESOP.

(6) Includes \$7,903 in dividends paid on restricted shares of the company common stock, \$6,472 in 401(k) plan matching contributions and \$17,161 in common stock allocations to Mr. Glover under the ESOP.

Outstanding Equity Awards at December 31, 2025. The following table sets forth information concerning stock options and restricted stock held at December 31, 2025 for each named executive officer.

Name	Options Awards				Stock Awards		
	Number of Securities Underlying Unexercised Options		Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested ⁽¹⁾	Market Value of Shares or Units of Stock That Have Not Vested ⁽²⁾	
	Exercisable	Unexercisable ⁽¹⁾					
Garry D. Kleer	216,426	—	\$ 10.53	10/1/2030	51,253	\$ 719,592	
Paul J. Witte	67,633		\$ 10.53	10/1/2030	7,947	\$ 111,576	
		2,520	\$ 13.37	7/15/2035			
Bradley M. Glover	27,053		\$ 10.53	10/1/2030	24,179	\$ 339,473	
		22,947	\$ 13.37	7/15/2035			

(1) Awards vest in five equal annual installments commencing on June 30, 2026.

(2) Value is based on the \$14.04 closing price of a share of Richmond Mutual Bancorporation common stock on December 31, 2025, the last trading day of the fiscal year.

Nonqualified Deferred Compensation Plan. In April 2019, Richmond Mutual Bancorporation and First Bank Richmond (the "Employers") entered into a Nonqualified Deferred Compensation Plan (the "SERP") with Garry Kleer, their Chairman, President and Chief Executive Officer, in order to provide Mr. Kleer with supplemental retirement benefits. The SERP provides for the following: (i) a normal retirement benefit of \$200,000 per year for a period of 15 years, payable in annual installments, if Mr. Kleer has a separation from service on or after age 68 other than for cause or death, (ii) an early termination benefit equal to the normal retirement benefit if he has a separation from service prior to age 68 other than for cause or death, with such benefit to commence after he reaches age 68, (iii) a lump sum death benefit equal to the amount of the SERP benefit accrued at the time of death under generally accepted accounting principles if Mr. Kleer dies while still employed and prior to a change in control or disability, (iv) a lump sum death benefit equal to the present value of any remaining installments if Mr. Kleer dies after an event triggering installment payments but prior to receiving all installment payments owed, (v) a lump sum disability benefit equal to the amount of the SERP benefit accrued at the time of disability under generally accepted accounting principles if Mr. Kleer becomes disabled while still employed, and (vi) a lump sum change in control benefit equal to the present value of his normal retirement benefit if a change in control (as defined in the SERP) occurs while Mr. Kleer is still employed and prior to any disability. In the event Mr. Kleer's employment is terminated for cause (as defined in the SERP), he will forfeit any and all benefits to which he would otherwise be entitled to receive under the SERP. The SERP constitutes an unfunded, unsecured promise by the Employers to make payments to Mr. Kleer or his beneficiary in the future.

Director Compensation

Our directors receive compensation for their service on the Boards of the Company and First Bank Richmond. The following table provides compensation information for each member of our Board of Directors during the year ended December 31, 2025, except for Mr. Kleer, our Chairman, President and Chief Executive Officer of the Company, whose compensation is presented in the Summary Compensation table under the caption "Executive Compensation" below.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) ⁽¹⁾	Option Awards (\$) ⁽¹⁾	All Other Compensation (\$) ⁽³⁾	Total (\$)
E. Michael Blum	\$ 44,950	\$ —	\$ —	\$ 1,055	\$ 46,005
Harold T. Hanley, III	47,950	—	—	1,055	49,005
Jeffrey A. Jackson	43,700	—	—	1,055	44,755
Kathryn Girtten	46,950	—	—	1,055	48,005
M. Lynn Wetzel	45,200	—	—	1,055	46,255

(1) No non-employee director held any restricted shares of common stock as of December 31, 2025.

(2) As of December 31, 2025, each director named in the table held stock options to purchase 40,580 shares of common stock, except for Mr. Blum, who held stock options to purchase 36,580 shares of common stock. All such stock options were fully vested and exercisable as of December 31, 2025.

(3) Represents dividends paid during 2025 to directors on unvested restricted shares of Company common stock held by them during the year.

In setting their compensation, our Board of Directors considers the significant amount of time and level of skill required for director service. During 2025, directors of Richmond Mutual Bancorporation received an annual retainer of \$12,000 for service on the Richmond Mutual Bancorporation Board, with no additional fees paid for attendance at any Board or committee meetings. During 2025, directors of First Bank Richmond received an annual retainer of \$14,500 for service on the First Bank Richmond Board and \$1,000 for each Board meeting attended. In addition, each non-employee director of First Bank Richmond received \$250 for every committee meeting attended and \$300 per meeting for service as Committee Chair. The fees earned by our CEO for service on these boards are included in the Summary Compensation Table above, while the fees earned by non-employee directors are reflected in the table above under "Director Compensation."

Directors have the option to enroll in First Bank Richmond's health insurance coverage on the same terms and conditions that are available generally to all eligible employees and are provided or reimbursed for travel and lodging and other customary out-of-pocket expenses incurred in attending industry conferences and continuing education seminars.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Stock Ownership

The following table shows, as of March 23, 2026 (the voting record date), the beneficial ownership of the Company's common stock held by:

- (1) any persons or entities known by management to beneficially own more than 5% of the outstanding shares of Richmond Mutual Bancorporation's common stock;
- (2) each director and director nominee of Richmond Mutual Bancorporation;
- (3) each executive officer of Richmond Mutual Bancorporation named in the 2025 Summary Compensation Table; and
- (4) all of the directors and executive officers of Richmond Mutual Bancorporation as a group.

An asterisk (*) in the table indicates that an individual beneficially owns less than one percent of the outstanding common stock of Richmond Mutual Bancorporation. The address of each of the beneficial owners, except where otherwise indicated, is Richmond Mutual Bancorporation's address. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission ("SEC"). As of March 23, 2025, there were 10,501,260 shares of Richmond Mutual Bancorporation common stock issued and outstanding.

Name of Beneficial Owner	Number of Shares Beneficially Owned⁽¹⁾	Percent of Common Stock Outstanding
<u>5% or Greater Beneficial Owners</u>		
Richmond Mutual Bancorporation, Inc. Employee Stock Ownership Plan	1,064,889	10.1 %
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	590,530 ⁽²⁾	5.6 %
Douglas Eden Principal Eden Capital Management, LLC 13029 Sorrento Way Bradenton, FL 34211	623,419 ⁽³⁾	5.9 %
<u>Directors and Executive Officers of Richmond Mutual Bancorporation</u>		
Garry D. Kleer, <i>Chairman, President, and Chief Executive Officer of the Company and Chairman and CEO of First Bank Richmond/Director Nominee</i>	396,044 ⁽⁴⁾	3.8 %
E. Michael Blum, <i>Director</i>	79,265 ⁽⁵⁾	*
Harold T. Hanley, III, <i>Director</i>	101,169 ⁽⁶⁾	*
Jeffrey A. Jackson, <i>Director</i>	105,205 ⁽⁷⁾	1.0 %
Kathryn Girtten, <i>Director/Director Nominee</i>	94,165 ⁽⁸⁾	*
M. Lynn Wetzel, <i>Director</i>	102,654 ⁽⁹⁾	*
Bradley M. Glover, Sr. <i>Vice President and Chief Financial Officer of the Company and the Bank</i>	68,265 ⁽¹⁰⁾	*
Paul J. Witte, <i>President and Chief Operating Officer of First Bank Richmond</i>	116,092 ⁽¹¹⁾	1.1 %
Directors and executive officers of Richmond Mutual Bancorporation as a group (9 persons)	1,062,859 ⁽¹²⁾	10.1 %

(Footnotes continue on following page.)

- (1) Except as otherwise noted in these footnotes, the nature of beneficial ownership for shares reported in this table is sole voting and investment power.
- (2) Based on a Schedule 13G/A filed with the SEC on November 12, 2024, pursuant to which the Vanguard Group reported no voting power, sole investment power with respect to 586,684 shares, and shared investment power with respect to 3,846 shares. This information is based on the most recently filed Schedule 13G, and the amount held by this shareholder as of the voting record date may be more or less than the amount stated above.
- (3) Based on a Schedule 13G filed with the SEC on May 27, 2025, pursuant to which Douglas Eden reported sole voting power over 100,000 shares, sole dispositive power over 100,000 shares and shared voting and dispositive power over 523,419 shares. This information is based on the most recently filed 13G, and the amount held by this shareholder may be more or less than the amount stated above.
- (4) Includes 51,253 shares of restricted stock over which Mr. Kleer has sole voting and no investment power, 11,795 shares allocated to Mr. Kleer under the ESOP over which he has shared voting power and no dispositive power, and options to acquire 216,426 shares over which Mr. Kleer has no voting or dispositive power.
- (5) Includes options to acquire 36,580 shares over which Mr. Blum has no voting or dispositive power.
- (6) Includes 27,802 shares that are held in a family trust of which Mr. Hanley and his spouse are co-trustees and share voting and investment power and options to acquire 40,580 shares over which Mr. Hanley has no voting or dispositive power.
- (7) Includes 18,000 shares held in his spouse's IRA over which Mr. Jackson has shared voting and investment power and options to acquire 40,580 shares over which Mr. Jackson has no voting or dispositive power.
- (8) Includes 6,000 shares held by her spouse over which Ms. Girtten has shared voting and investment power and options to acquire 40,580 shares over which Ms. Girtten has no voting or dispositive power.
- (9) Includes options to acquire 40,580 shares over which Mr. Wetzel has no voting or dispositive power.
- (10) Includes 24,179 shares of restricted stock over which Mr. Glover has sole voting and no investment power, 4,894 shares allocated to Mr. Glover under the ESOP over which he has shared voting power and no dispositive power, and options to acquire 27,053 shares over which Mr. Glover has no voting or dispositive power.
- (11) Includes 7,947 shares of restricted stock over which Mr. Witte has sole voting and no investment power, 8,359 shares allocated to Mr. Witte under the ESOP over which he has shared voting power and no dispositive power, 100 shares owned by his two adult sons as to which Mr. Witte disclaims beneficial ownership, and options to acquire 67,633 shares over which Mr. Witte has no voting or dispositive power.
- (12) Includes shares held by current directors and executive officers directly, in retirement accounts, in a fiduciary capacity or by certain affiliated entities or members of the named individuals' families, with respect to which shares the named individuals and group may be deemed to have sole or shared voting and/or dispositive powers.

Equity Compensation Plan Information

The following table sets forth information as of December 31, 2025 with respect to the Company's equity incentive plan which was approved by the Company's shareholders.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plan⁽¹⁾
Equity Incentive Plan approved by security holders	760,852	\$ 10.76	414,669
Equity Incentive Plan not approved by security holders	—	—	—
Total	760,852	\$ 10.76	414,669

(1) No shares available for issuance of restricted stock awards.

Changes in Control

Except for the Company's previously disclosed pending merger with The Farmers Bancorp, Frankfort, Indiana, management of Richmond Mutual Bancorporation is not aware of any arrangements, including any pledge of the Company's securities by any person, that may at a subsequent date result in a change in control of the Company.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Director Independence

The rules of the Nasdaq Stock Market, as well as those of the SEC, impose several requirements with respect to the independence of our directors, including the requirement that at least a majority of the Board be "independent" as that term is defined under the applicable rules. Our Board of Directors has undertaken a review of the independence of each director and director nominee in accordance with these rules. Based on information provided by each director concerning his or her background, employment and affiliations, our Board of Directors has determined that Directors Blum, Hanley, Jackson, Girten and Wetzel do not have relationships that would interfere with the exercise of independent judgment in fulfilling the responsibilities of a director and that each of these directors is "independent" as that term is defined under the applicable rules. In making these determinations, our Board of Directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our Board of Directors deemed relevant in determining their independence, including the following relationship between us and our directors and executive officers, which is not required to be reported under "Transactions with Certain Related Persons" below.

Transactions with Certain Related Persons

In the normal course of our business, we have engaged and expect to continue engaging in ordinary banking transactions with our directors, executive officers, their immediate family members and their affiliated entities, including loans to such persons. Except as set forth below, there were no transactions of this nature, the amount of which exceeded \$120,000 during 2025 or 2024.

Federal law generally prohibits publicly traded companies from making loans to their executive officers and directors, but it contains a specific exemption from the prohibition for loans made by federally insured financial institutions, such as First Bank Richmond, to their executive officers and directors in compliance with federal banking regulations. At December 31, 2025 and 2024, all of our loans to directors and executive officers were made in the ordinary course of business, were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with persons not related to First Bank Richmond, and did not involve more than the normal risk of collectability or present other unfavorable features. These loans were performing according to their original repayment terms at both December 31, 2025 and 2024 and were made in compliance with federal banking regulations.

Robin Weinert served as Senior Vice President/Operations & Retail Banking of First Bank Richmond prior to her retirement in July of 2024. Mrs. Weinert is the spouse of Dean Weinert, who served as President of Mutual Federal, a division of First Bank Richmond, until his retirement in April 2025. As a result of her employment with First Bank Richmond, Mrs. Weinert received annual compensation of \$233,154 in 2024.

Kristi Herig serves as a Senior Vice President of First Bank Richmond's leasing operations. Mrs. Herig is the daughter of Jeffrey Jackson, who serves as a director of the Company and First Bank Richmond. As a result of her employment with First Bank Richmond, Mrs. Herig received annual compensation of \$139,946 in 2025 and \$124,270 in 2024.

Except as stated above, we have not entered into any transactions since January 1, 2024, in which the amount involved exceeded \$120,000 and in which any related persons had or will have a direct or indirect material interest.

Item 14. Principal Accountant Fees and Services***Principal Accountant Fees and Services***

Set forth below is certain information concerning aggregate fees billed for professional services rendered by Forvis Mazars, LLP during the years ended December 31, 2025 and 2024.

	Year Ended December 31,	
	2025	2024
Audit Fees	\$ 430,519	\$ 393,750
Audit-related Fees	18,500	17,325
Tax fees	—	3,955
All Other Fees	—	—

Audit Fees. Audit Fees include aggregate fees billed for professional services for the audits of Richmond Mutual Bancorporation's annual financial statements for the years ended December 31, 2025 and 2024 and for review of quarterly condensed consolidated financial statements included in periodic reports filed with the SEC during 2025 and 2024.

Audit-Related Fees. Audit-Related Fees for 2025 and 2024 include fees billed for the audit of Richmond Mutual Bancorporation's Employee Stock Ownership Plan.

Tax Fees. There were no tax fees charged in 2025. Tax Fees for 2024 include review of certain tax matters during 2024.

All Other Fees. There were no other fees charged in 2025 or 2024.

Our Audit Committee has determined that the services provided by Forvis Mazars, LLP as set forth herein are compatible with maintaining Forvis Mazars, LLP's independence.

Pursuant to the terms of its charter, the Audit Committee is responsible for the appointment, compensation, retention and oversight of the work of the independent auditors. The Audit Committee must pre-approve the engagement letters and the fees to be paid to the independent auditors for all audit and permissible non-audit services to be provided by the independent auditors and consider the possible effect that any non-audit services could have on the independence of the auditors. The Audit Committee may establish pre-approval policies and procedures, as permitted by applicable law and SEC regulations and consistent with its charter for the engagement of the independent auditors to render permissible non-audit services to the Corporation, provided that any pre-approvals delegated to one or more members of the committee are reported to the committee at its next scheduled meeting. At this time, the Audit Committee has not adopted any pre-approval policies.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) List of Financial Statements

The following documents are filed as part of this Form 10-K:

Report of Independent Registered Public Accounting Firm (PCAOB ID 686)
Consolidated Balance Sheets at December 31, 2025 and 2024
Consolidated Statements of Income for the Years Ended December 31, 2025 and 2024
Consolidated Statements of Comprehensive Income (Loss) for the Years December 31, 2025 and 2024
Consolidated Statements of Changes in Stockholders' Equity for the Years Ended December 31, 2025 and 2024
Consolidated Statements of Cash Flows for the Years Ended December 31, 2025 and 2024
Notes to Consolidated Financial Statements

(a)(2) List of Financial Statement Schedules:

All financial statement schedules have been omitted as the information is not required under the related instructions or is not applicable.

(a)(3) List of Exhibits:

(b) Exhibits:

- 2.1 Agreement and Plan of Merger by and between Richmond Mutual Bancorporation, Inc. and The Farmers Bancorp. Frankfort, Indiana (incorporated by reference to Exhibit 2.1 of the Company's Current Report on Form 8-K filed with the SEC on November 12, 2025 (Commission File No. 001-38956))
- 3.1 Charter of Richmond Mutual Bancorporation, Inc. (incorporated by reference to Exhibit 3.1 of the Company's Registration Statement on Form S-1 (Commission File No. 333-230184))
- 3.2 Bylaws of Richmond Mutual Bancorporation, Inc. (incorporated by reference to Exhibit 3.2 of the Company's Registration Statement on Form S-1 (Commission File No. 333-230184))
- 4.1 Form of Common Stock Certificate of Richmond Mutual Bancorporation, Inc. (incorporated by reference to Exhibit 4.0 of the Company's Registration Statement on Form S-1 (Commission File No. 333-230184))
- 4.2 Description of Registrant's Securities (incorporated by reference to Exhibit 4.2 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 (Commission File No. 001-38956))
- 10.1⁽¹⁾ Form of Non-Qualified Deferred Compensation Plan for Garry Kleer (incorporated by reference to Exhibit 10.1 of the Company's Registration Statement on Form S-1 (Commission File No. 333-230184))
- 10.2⁽¹⁾ Richmond Mutual Bancorporation, Inc. 2020 Equity Incentive Plan (included as Appendix A to the Registrant's definitive proxy statement filed with the SEC on July 28, 2020 (Commission File No. 001-38956) and incorporated herein by reference).
- 10.3⁽¹⁾ Form of Incentive Stock Option Award Agreement under the 2020 Equity Incentive Plan (incorporated by reference to Exhibit 10.2 of the Company's Registration Statement on Form S-8 (Commission File No. 333-248862)).
- 10.4⁽¹⁾ Form of Non-qualified Stock Option Award Agreement under the 2020 Equity Incentive Plan (incorporated by reference to Exhibit 10.3 of the Company's Registration Statement on Form S-8 (Commission File No. 333-248862)).
- 10.5⁽¹⁾ Form of Restricted Stock Award Agreement under the 2020 Equity Incentive Plan (incorporated by reference to Exhibit 10.4 of the Company's Registration Statement on Form S-8 (Commission File No. 333-248862)).
- 10.6⁽¹⁾ Change in Control Agreement, Dated May 27, 2025, by and between Richmond Mutual Bancorporation, Inc. and Paul Witte (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed with the SEC on May 27, 2025 (Commission File No. 001-38956))
- 10.7⁽¹⁾ Change in Control Agreement, Dated May 27, 2025, by and between Richmond Mutual Bancorporation, Inc. and Bradley Glover (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed with the SEC on May 27, 2025 (Commission File No. 001-38956))
- 19 Insider Trading Policies and Procedures (incorporated by reference to Exhibit 19 of the Company's Annual Report on Form 10-K filed with the SEC on March 27, 2025 (Commission File No. 001-38956))
- 21.0 Subsidiaries of the Registrant
- 23.0 Consent of Independent Registered Public Accounting Firm
- 24.0 Power of Attorney (set forth on signature page)
- 31.1 Rule 13a-14(a) Certifications (Chief Executive Officer)
- 31.2 Rule 13a-14(a) Certifications (Chief Financial Officer)
- 32.0 Section 1350 Certifications
- 97.0 Policy Relating to Recovery of Erroneously Awarded Compensation
- 101.0 The following materials for the year ended December 31, 2025, formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) the Consolidated Statements of Income, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Changes in Shareholders' Equity (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements
- 104.0 Cover Page Interactive Data (embedded within the Inline XBRL document)

(1) Management contract or compensatory plan or arrangement.

(c) Financial Statements Schedules

None

Item 16. Form 10-K Summary

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**RICHMOND MUTUAL BANCORPORATION, INC., a
Maryland corporation**

Date: March 23, 2026

By: /s/ Garry D. Kleer

Garry D. Kleer

Chairman of the Board, President and Chief Executive Officer
(Duly Authorized Representative)

POWER OF ATTORNEY

We, the undersigned officers and directors of Richmond Mutual Bancorporation, Inc., hereby severally and individually constitute and appoint Garry D. Kleer and Bradley M. Glover, and each of them, the true and lawful attorneys and agents of each of us to execute in the name, place and stead of each of us (individually and in any capacity stated below) any and all amendments to this Annual Report on Form 10-K and all instruments necessary or advisable in connection therewith and to file the same with the Securities and Exchange Commission, each of said attorneys and agents to have the power to act with or without the others and to have full power and authority to do and perform in the name and on behalf of each of the undersigned every act whatsoever necessary or advisable to be done in the premises as fully and to all intents and purposes as any of the undersigned might or could do in person, and we hereby ratify and confirm our signatures as they may be signed by our said attorneys and agents or each of them to any and all such amendments and instruments.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
<u>/s/ Garry D. Kleer</u> Garry D. Kleer	Chairman of the Board, President and Chief Executive Officer (<i>Principal Executive Officer</i>)	March 23, 2026
<u>/s/ Bradley M. Glover</u> Bradley M. Glover	Chief Financial Officer (<i>Principal Financial and Accounting Officer</i>)	March 23, 2026
<u>/s/ E. Michael Blum</u> E. Michael Blum	Director	March 23, 2026
<u>/s/ Harold T. Hanley III</u> Harold T. Hanley III	Director	March 23, 2026
<u>/s/ Jeffrey A. Jackson</u> Jeffrey A. Jackson	Director	March 23, 2026
<u>/s/ Kathryn Girten</u> Kathryn Girten	Director	March 23, 2026
<u>/s/ M. Lynn Wetzel</u> M. Lynn Wetzel	Director	March 23, 2026

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